

# XVIII WINTER OLYMPICS IN NAGANO

## Herald INTERNATIONAL Tribune

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Alberto Tomba, a triple Olympic gold medalist, still dominates the news on and off the slopes.

### On Your Mark

#### Nagano Set for Winter Olympics

The Olympics were founded by men looking back fondly at the glories of Ancient Greece. The Winter games that open in Nagano this week stare determinedly into the next millennium.

The bullet train now reaches Nagano, where the Japanese have erected a set of futuristic sports arenas. There, served by the newest computers, timing equipment and broadcasting technology, athletes from more than 80 countries will compete in the fastest of Olympic sports, made ever faster by high-tech equipment. Speed skaters will zoom round and round on hinged skates. Bobsledders will explode down their cold, white gun barrel. Skiers will fly down the mountain.

In other ways as well these are very modern games. The top professional ice hockey stars are appearing for the first time. The route of the downhill caused a battle with ecologists. The finances of the organizing committee fell victim to the downturn in the Japanese economy and volatility in the currency markets.

*Olympic Special Report inside*



French figure skater Vanessa Gusneroli

### Asia's Uncharted Economic Waters

#### World Leaders Don't Yet Have a Plan for Getting Through the Crisis

**By Jonathan Gage and Alan Friedman**  
*International Herald Tribune*

DAVOS, Switzerland — Seven months after Thailand devalued its currency, setting off waves of financial turmoil that led to a massive bailout of Asia's battered economies, there is no clear end in sight to the crisis.

Financial and political leaders have not even begun to piece together any plan that might prevent deeper financial tremors from emerging in the days, weeks or months ahead.

The reason is that it is unclear what if anything can be done to address some of the fundamental causes of the crisis, according to leading officials and economists gathered here at an international conference where Asia's troubles and their effects on financial markets across the globe took center stage.

"We are in uncharted waters," said Stuart Eizenstat, the U.S. undersecretary of state for economic, business and agricultural affairs.

"There is no ready solution."

The waters are not only uncharted; they are turbulent and deep. The world's financial institutions are no match for the enormous blocks of fast-moving capital that have swept through Asian

global arrangements, or concerted international action. This crisis will repeat," said Thailand's deputy prime minister, Supachai Panitchpakdi. "We can't wait."

But Thailand and the rest of the world will have to wait.

There are no current plans to regulate or even monitor these money flows, said Mr. Eizenstat and other government officials attending the annual meeting of the World Economic Forum.

Measuring the flow of international capital would be useful but would not in itself remove the possibility of reckless overborrowing by corporations and overlevering by banks that lies at the heart of Asia's crisis, from Thailand, Indonesia and Malaysia in Southeast Asia to South Korea in the north.

"Information is necessary but not corrective," the financier George Soros said. Besides, Mr. Soros said, "the IMF is not in a position to issue public warnings."

See ASIA, Page 13

### EU Asks U.S. for Talks on Tariffs

The European Union has asked the United States to join in a new trans-Atlantic trade negotiation to reduce tariffs on industrial and service sectors, officials from both sides of the Atlantic say. The initiative was proposed by Sir Leon Brittan, the European trade commissioner, in meetings with U.S. officials at the World Economic Forum in Davos, Switzerland, Page 11.

### Glaxo and SmithKline Plan Largest Merger Ever

#### \$160-Billion Giant Would Dwarf Merck and Novartis

**By Tom Buerkle**  
*International Herald Tribune*

LONDON — The global pharmaceuticals industry could be set for an unprecedented wave of takeover activity following the surprise weekend announcement that Glaxo Wellcome PLC, the world's largest drugmaker, plans to combine with SmithKline Beecham PLC in what would be the world's biggest merger ever.

The deal, which could take a few weeks to finalize but appears likely to go through, would set a stunning benchmark even for an industry that is no stranger to mergers.

Both Glaxo and SmithKline are the products of multibillion-dollar mergers in the past decade, and their combination would put pressure on many rivals. The merged company would have a stock market value of more than \$160 billion, control nearly 8 percent of the world market for prescription drugs with sales of around \$20 billion a year, and be able to invest \$1 billion more a year on developing new drugs than its closest competitors.

Those numbers would dwarf giants such as Merck & Co. and Novartis AG, the second- and third-largest companies in the industry, and could trigger a frantic search for alliances that could strengthen product lines and deliver big cost savings, analysts and industry executives said.

"This will set off another round of consolidation," one industry executive said.

"All of the others are going to have to think about what they want

### Iraq Faces 'Substantial' Force

#### A Matter of 'Weeks,' Albright Warns

**Compiled by Our Staff From Dispatches**

KUWAIT — Secretary of State Madeleine Albright arrived in Kuwait on Sunday for talks with Gulf Arab allies on the crisis with Iraq as the United States repeated that it was ready to use "substantial" force if Baghdad failed to grant free access to UN weapons-inspection teams.

But while Mrs. Albright said Washington generally supported an expansion of the Iraqi oil-for-food program, she left no doubt about U.S. resolve.

Mrs. Albright said that it could be "weeks" before the United States takes any military action against Iraq.

"It's not days and it's not months, so that leaves weeks," she said in an interview from Kuwait on CNN about the time frame for a possible U.S. military attack.

The United States prefers to find a diplomatic solution to the standoff, she said, but added: "That string is running out. The time on it is shorter and shorter."

Going beyond the specific issue of increased Iraqi oil sales, the U.S. delegate to

the United Nations, Bill Richardson, said, "They deserve no sanctions relief, and they will get that."

"We don't want to give Iraq any carrot," he said at a news conference at a gathering in Davos, Switzerland, of world business and political leaders. "They deserve nothing."

Mr. Richardson also said that Washington had gained fresh support for a military strike. Two countries — in addition to Britain — have "committed to publicly support the United States should there be a decision of force," he said.

He declined to identify the countries, but a senior U.S. official in Kuwait said Sunday the emir told Mrs. Albright that his country would support U.S. military action against Iraq if the current crisis made it necessary.

The oil-for-food program allows Baghdad to export \$2 billion worth of oil in exchange for food and medicine over a period of 180 days to relieve the impact on civilians of sanctions imposed after Iraq's



Mrs. Albright, in Israel on Sunday, as she warned Iraq of "substantial force."

See IRAQ, Page 7

### Pressure on Clinton Eases

#### As Focus Shifts to Intern

#### But Republicans Try to Turn Up the Heat

**By Brian Knowlton**  
*International Herald Tribune*

WASHINGTON — With Monica Lewinsky about to leave Washington for California, and her attorney conceding that she might on occasion "embellish" the truth, the furious controversy linking the president to the former White House intern was calming down Sunday.

But developments ensured that Mr. Clinton, who spent much of the weekend playing golf at his Camp David retreat, could not completely let down his guard.

New accusations continued to bubble to the surface, including a published suggestion that Ms. Lewinsky had offered a share in a condominium in Australia to a friend, Linda Tripp, to induce her to testify that she knew of no improper relationship between Ms. Lewinsky and Mr. Clinton. Ms. Lewinsky's lawyer confirmed that she shared ownership of such a condominium with her brother.

And Republicans, still seeking an ef-

fective response to opinion polls showing that Mr. Clinton enjoys record levels of support for his job performance, continued to drop their strategy of reserve. Several Republican congressmen asserted that if Mr. Clinton in fact had an affair with Ms. Lewinsky and asked her to lie about it, he should resign.

It is an "egregious breach of faith" if proved, said Senator Orrin Hatch of Utah, chairman of the Judiciary Committee. "In our country, teachers don't have sex with students, doctors with patients."

If proof did emerge that Mr. Clinton lied about an affair with an intern, he added, it would not be Republicans but members of the president's own party who would seek to remove him from office.

Mr. Clinton has denied the accusations against him.

Opinion polls showing continued support for Mr. Clinton's conduct of the nation's business, even as doubts rose about his conduct of his own business, left many Republicans scratching their heads.

An NBC Poll showed that the number of Americans who thought Mr. Clinton had lied about having an affair with Ms. Lewinsky had risen to 43 percent over the weekend from 35 percent on Tuesday; yet the numbers of those who thought he should be removed from office if the charges proved

See CLINTON, Page 7

### National Crisis?

#### Get Serious, Say People in Peoria

**By Jon Jeter**  
*Washington Post Service*

PEORIA, Illinois — Washington may be obsessed with Monica Lewinsky and the tales of sex, scandal, power and betrayal in which she stars. But in Peoria, things play differently.

"Frankly, I think it's stupid," said Don Saunders, parked on a bar stool at the Pere Marquette hotel here. "Clinton hasn't done anything that any number of American males haven't done. They ought to leave the man alone. I think there are bigger issues to worry about in the world than whether someone is having sex with someone they shouldn't be."

Across the street, at the Twin Towers Barber Shop, the soap opera that is Washington these days is the topic of conversation, but few here seem to take it seriously.

"It's starting to wane," said Steve Bainter, a barber and co-owner of the shop. "But it has been fun — the guy has provided us with a lot of entertainment."

The leak-a-day allegations that President Bill Clinton had an affair with a former White House intern and exhorted her to lie about it are the stuff of mild irritation and

### As Saddam Builds, the Iraqis Suffer

#### Leader's Extravagance Belies People's Poverty

**By Barbara Crossette**  
*New York Times Service*

BAGHDAD — On a small hill overlooking Baghdad's zoo, where most of the animals have perished from hunger, a stupendous new palace is rising. It is a massive, brooding, domed extravaganza, the latest and perhaps grandest of the monuments that are steadily remaking the city's skyline to the glory of Saddam Hussein.

Bricks at archaeological reconstruction sites bear inscriptions hailing him as a new Al Mansur, the caliph who founded Baghdad in the eighth century. A recent arts festival in Babylon was subtitled "From Nebuchadnezzar to Saddam Hussein." Portraits of the two hang together in Babylon, where Nebuchadnezzar, one of the greatest of ancient Babylonians, ruled in the sixth century B.C.

To burnish his reputation as a leader of Muslims everywhere, Mr. Saddam has just broken ground for the largest mosque in the world.

No one knows how Mr. Saddam can pay for these projects, after seven years of crippling economic sanctions imposed after Iraq invaded Kuwait in 1990. Even as he builds his imperial Baghdad, there is another Baghdad, where people calculate how to pay the next grocery bill.

Ahmad Adnan, a 10-year-old boy suffering from diabetes, was in Saddam Central Children's Hospital for treatment. He was too shy to tell a reporter what he would like from the vendor's stall outside the building, crowded with teddy bears, toys, cookies and candy that no one was buying.

Dr. Kasim Taji leaned down and

See SADDAM, Page 7

### AGENDA

#### Albright Criticizes Pace of Peace Talks

Madeleine Albright, the U.S. secretary of state, scolded Israeli and Palestinian leaders Sunday for delaying the fundamental decisions necessary to revive peace talks.

"We have been stalled at this point in the peace process, negotiating the same issues, for a long time — frankly, far too long," Mrs. Albright said at a news conference. "There is far too much at stake for this to go on."

She said that both Prime Minister Benjamin Netanyahu of Israel and the Palestinian leader, Yasser Arafat, had agreed to send envoys to Washington next week for further discussions.

"But I must say I had hoped we would get further on this trip than we have," Mrs. Albright added, Page 5.

SPORTS Page 16.

Korda Wins Australian Open

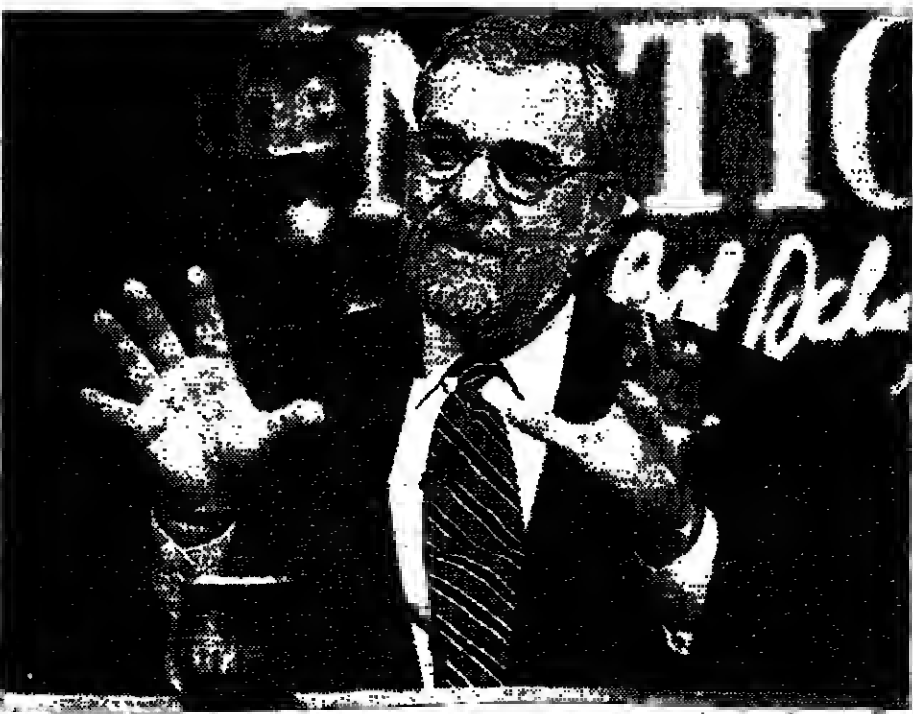
Books Page 3.

Crossword Page 17.

Opinion Page 8.

Sports Pages 16-17.

The IHT on-line www.ihf.com



William Ginsburg, the lawyer for Monica Lewinsky, being interviewed Sunday.

**Newsstand Prices**

Andorra	10.00 FF	Lebanon	11.3000
Antilles	12.50 FF	Morocco	18 Dh
Cameroon	1.600 CFA	Qatar	10.00 QR
Egypt	12.50 FF	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10 SR
Gabon	1.100 CFA	Senegal	1.100 CFA
Italy	2.800 Lire	Spain	225 Ptas
Ivory Coast	1.250 CFA	Tunisia	1.250 Din
Jordan	1.250 JD	U.A.E.	10.00 Dh
Kuwait	700 Fils	U.S. & M.	\$1.20



See MERGER, Page 13



Always to the Rescue / Hillary Rodham Clinton

## What Makes First Lady Stand by Her Man?

By David Maraniss  
Washington Post Service

WASHINGTON — In the early morning darkness of Jan. 21, up in the second-floor bedroom of their residence, the husband awakened his wife and said there was something he had to tell her.

"You're not going to believe this, but..." he began.

"What is this?" she asked quietly.

"...but I want to tell you what's in the newspapers," he continued.

That is how Hillary Rodham Clinton learned from her husband that he was in trouble again, according to a reconstruction of the scene that she provided on national television.

She made the dialogue sound so gentle and innocuous that it evoked the image of a bewildered Ozzie Nelson rousing Harriet from slumber, rather than what it was: the first couple's first discussion of reports of new sex allegations that seemed to threaten everything they had struggled to achieve since they spotted each other at Yale Law School 28 years ago.

Whether sanitized or not, the first lady's version of the scene revealed the disparate roles she plays in critical moments. Here she was, presenting herself as the ordinary wife, trying to live an ordinary life, her sleep interrupted by the inimitable of the world.

Minutes later in the same interview, she transformed entirely into chief partisan in the White House counterattack, claiming that she and her husband were victims of a "vast right-wing conspiracy" that included Kenneth Starr, whom she called the "politically motivated" independent counsel.

In the first days after the news broke that Mr. Clinton was investigating whether President Bill Clinton had had a sexual relationship with a White House intern and had urged the young woman to lie about it, some of the central questions in the drama concerned the

first lady: What would she do, and why would she do it? Would this be one sex story too many for her?

Those questions were asked in subdued tones inside the White House, where aides, anxious and confused, said they were looking for her to ease their minds and give them a sense of direction in contrast with what they saw as the president's ambiguity.

In keeping with her long-established pattern, the first lady moved steadily to resolve the questions, or at least smother them, responding as she has again and again in times of personal and political crisis: by doing

**At the low point in his life, she did everything it took to bring her husband back.**

whatever is required for the survival of the tumultuous and resilient partnership of Clinton and Clinton.

After keeping a low profile for a few days, the first lady seized control of her husband's defense, seeking to protect not only his position and legacy but hers as well.

"I probably know him better than anybody alive in the world," she declared, offering her credentials as his ace defender.

Certainly no one matched her experience. She has had to deal with allegations about his unfaithfulness for nearly a quarter-century — since she drove to Fayetteville in 1974 to help him campaign in Arkansas for a congressional seat — and, ever since and on to Washington, she has been the singularly essential figure in each comeback he has made in the repetitive cycle of loss and recovery that defines his political career.

This time, she returned to the breach displaying the outwardly unfazed certitude of a battle-tested veteran. She said what she thought needed to be said about her husband.

She loved him. She believed him. People misunderstood him. They mistook his gregariousness for something more sinister. Adversaries were out to get him. Always had been. But the couple had survived before and would again. And that was that, silence from now on, business as usual.

For all the questions the first lady answered last week, one remained. It is one of the central questions of her life with Mr. Clinton: What motivates her to stay at his side, no matter what? Mrs. Clinton's critics say the answer is nothing more than a cold and pragmatic arrangement of shared power. Her friends say it can be explained by pride and love. The evidence points to more variegated and complex reasons that, like everything else in their uncommon story, are revealed in their history, in the patterns that appeared at the start of their relationship and reappeared throughout their long political rise.

The first key to understanding her behavior can be found in the original nature of her relationship with Mr. Clinton. From the time they began dating in 1970, they shared a passion for politics, policy, power, books, ideas — and they realized, they told friends, that they could attain heights together that they might not reach separately.

Mr. Clinton seemed most impressed by her intellect. He said that she was the one woman he could see growing old with. He once told Melanne Verveer, whom he had known since college, that he was emulating Phil Verveer, Mrs. Verveer's husband, in going for "brains and ability rather than glamour" — and he meant it as a compliment. For her part, Mrs. Clinton's feelings about her husband seemed more traditionally romantic. One friend described her as "besotted."

The second key to understanding the first lady's behavior today comes from the pattern that developed after they got married and became the most powerful couple in Arkansas.

Throughout that period, from the late 1970s to the early 1990s, there were regular intervals when their personal relationship seemed endangered, often by Mr. Clinton's sexual behavior.

The true extent of his infidelity is known only to him. He has acknowledged it to the degree of confessing that his actions had caused "problems" in the marriage and that he was unable to meet a standard of perfection. In a recent deposition, he also apparently testified that he had had sex with Gennifer Flowers, an allegation he had vehemently denied when it threatened his nascent presidential campaign in 1992. Ms. Flowers has claimed their affair lasted 12 years.

But the most important pattern that developed over that long haul in Arkansas was that in times of real crisis, when Mr. Clinton's career, and their shared dream, seemed imperiled — for whatever reason, his personal behavior or larger political forces — it was his wife who took the lead and made it possible for him to recover.

She did this largely by turning outward, coolly focusing her anger and energy on his adversaries. This habitual response intensified their symbiotic relationship and made it easier for her to repeat the process in the next moment of vulnerability.

**THE DEFINING CRISIS** of this sort came in 1980 when Mr. Clinton, after a single two-year term as governor, was defeated. He was depressed by the loss, consumed by bitterness, convinced that journalists had conspired against him, doubtful that he could recover.

Mrs. Clinton stepped in and made recovery possible. She went to the press and calmly described the forces that were out to get her husband, explaining that he had lost because "there was no effective counterattack" to the negative stories spread by his opponent and the Republican right.

And, in response to criticism that



Hillary Clinton in Zurich, on her way to Davos. The presidential confidants Vernon Jordan Jr. and Thomas McLarty were also there.

she seemed too much the feminist for Arkansas tastes, she changed her image: She softened her hair, bought contact lenses, built a new wardrobe, used more makeup, even changed her name.

No more Hillary Rodham in public; she was now Mrs. Clinton. At the low point in Mr. Clinton's life, she did everything it took to bring him back. He returned to the governor's mansion in 1983 and did not leave until he packed his bags for the White House.

Throughout his final decade as governor, even as their marriage went

through a series of tests, their professional partnership grew ever stronger: From the ashes of 1980, she emerged as his key policy adviser and political strategist.

The final key to understanding the first lady's response to the latest allegations comes from the long-standing sense the Clintons share that they engender hatred that exceeds the norm, that people are constantly spreading false rumors about them, that there is, as she claimed, a right-wing conspiracy to destroy them.

## TRAVEL UPDATE

## Brussels Strike Hits Virgin Express

BRUSSELS (Reuters) — Pilots and other Belgian-based crew of Virgin Express went on strike Sunday for better working conditions, disrupting flights from Brussels.

Virgin Express had about 30 scheduled departures from Brussels on Sunday, and up to 50 percent of them were threatened by the strike, a spokesman for the airline said.

## United Plans Denver-Europe Run

DENVER (Bloomberg) — United Airlines plans to start

nonstop flights between Denver and Frankfurt and Heathrow

airline said it had tentative approval for a Denver-London flight, but still needed final approval from both the British and U.S. governments.

## India Air Controllers Delay Strike

NEW DELHI (Reuters) — India's air traffic controllers canceled four hours of strike action planned for Sunday but said they would resume their work stoppage on Monday after scheduled talks on their pay dispute.

Nearly 650 air traffic controllers began a nationwide action Saturday to disrupt domestic flights and outgoing international flights for four hours each day to press their demands. The action disrupted some flights Saturday but operations were normal Sunday, officials said.

Federal Aviation Administration inspectors found that a Boeing 737 assembly plant violated nearly a dozen production procedures, the Seattle Post-Intelligencer reported. A Boeing official said the errors were procedural and in no way affected the safety of the 737s. (AP)

## This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

**MONDAY:** Kuwait, Liechtenstein, Saudi Arabia.  
**TUESDAY:** Mozambique, Saudi Arabia.  
**WEDNESDAY:** Angola, Sri Lanka.  
**THURSDAY:** Burundi, Mexico, San Marino.  
**FRIDAY:** New Zealand.

Sources: J.P. Morgan, Bloomberg.

## WEATHER

Forecast for Tuesday through Thursday, as provided by AccuWeather.



**North America**  
Stormy in the Southeast: London and Paris will be dry and seasonable with some sunbursts Tuesday to as cold by Thursday. Florida on north into West Virginia. Another storm will bring soaking rain and, then dry and cold with a blizzard by Thursday. The Midwest and Northeast will see a gusty wind into Thursday. Soaking rain will fall across southern China and maybe southern Japan.

Maps, forecasts and data provided by AccuWeather, Inc. ©1998 - <http://www.accuweather.com>

City	Today	Tonorrow	City	Today	Tonorrow
Albuquerque	25-32	25-32	Albuquerque	25-32	25-32
Anchorage	15-22	15-22	Anchorage	15-22	15-22
Atlanta	64-72	64-72	Atlanta	64-72	64-72
Boston	32-42	32-42	Boston	32-42	32-42
Chicago	32-42	32-42	Chicago	32-42	32-42
Dallas	64-72	64-72	Dallas	64-72	64-72
Denver	32-42	32-42	Denver	32-42	32-42
Houston	64-72	64-72	Houston	64-72	64-72
Los Angeles	64-72	64-72	Los Angeles	64-72	64-72
Madrid	25-32	25-32	Madrid	25-32	25-32

Legend: s=sunny, p=partly cloudy, c=cloudy, sh=showers, r=rain, dr=drizzle, f=furries, sn=snow, H=high, W=weather.

## Asia

City	Today	Tonorrow	City	Today	Tonorrow
Almaty	15-22	15-22	Almaty	15-22	15-22
Bangkok	25-32	25-32	Bangkok	25-32	25-32
Beijing	15-22	15-22	Beijing	15-22	15-22
Bombay	25-32	25-32	Bombay	25-32	25-32
Calcutta	25-32	25-32	Calcutta	25-32	25-32
Chongqing	15-22	15-22	Chongqing	15-22	15-22
Cebu	25-32	25-32	Cebu	25-32	25-32
Hong Kong	25-32	25-32	Hong Kong	25-32	25-32
Kobe	15-22	15-22	Kobe	15-22	15-22
London	15-22	15-22	London	15-22	15-22
Manila	25-32	25-32	Manila	25-32	25-32
Moscow	15-22	15-22	Moscow	15-22	15-22
New Delhi	25-32	25-32	New Delhi	25-32	25-32
Osaka	15-22	15-22	Osaka	15-22	15-22
Paris	15-22	15-22	Paris	15-22	15-22
Seoul	15-22	15-22	Seoul	15-22	15-22
Shanghai	15-22	15-22	Shanghai	15-22	15-22
Singapore	25-32	25-32	Singapore	25-32	25-32
Tokyo	15-22	15-22	Tokyo	15-22	15-22
Yokohama	15-22	15-22	Yokohama	15-22	15-22

## Latin America

City	Today	Tonorrow	City	Today	Tonorrow
Buenos Aires	15-22	15-22	Buenos Aires	15-22	15-22
Caracas	25-32	25-32	Caracas	25-32	25-32
La Paz	15-22	15-22	La Paz	15-22	15-22
Lima	15-22	15-22	Lima	15-22	15-22
Medellin	25-32	25-32	Medellin	25-32	25-32
Montevideo	15-22	15-22	Montevideo	15-22	15-22
Quito	15-22	15-22	Quito	15-22	15-22
Santiago	15-22	15-22	Santiago	15-22	15-22
Sao Paulo	25-32	25-32	Sao Paulo	25-32	25-32
Valparaiso	15-22	15-22	Valparaiso	15-22	15-22

## Oceania

City	Today	Tonorrow	City	Today	Tonorrow
Auckland	15-22	15-22	Auckland	15-22	15-22
Sydney	15-22	15-22	Sydney	15-22	15-22

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## Investigation in Washington / A Different Kind of Journalism

Internet's Magnifying Glass  
Electronic 'Coverage' Challenges All the RulesBy Janny Scott  
New York Times Service

NEW YORK — The story that caromed off the keyboard of an Internet tipster and hurtled through the talk shows to the top of every network news broadcast and major newspaper in the country appears to many in journalism to have blurred the boundaries between mainstream and tabloid news.

For nearly two weeks now, newspapers and news shows have been dominated by the story, which has been rife with the sensational elements of tabloid news, based heavily on anonymous sources and colored in many instances by what journalists themselves say is speculation and hype.

Editors have found themselves debating whether to use words like "seem" on the nightly news, wondering whether eight times is too often to use "scandal" on a single front page, scrutinizing wire stories they are about to publish to guess whether information from an unnamed source is first-, second- or third-hand.

"This is in many ways the most difficult story I've seen in 25 years in journalism," said Sandra Mims Rowe, editor of The Oregonian in Portland, Ore. "The advances in media, the crush of media, the greatly varying standards that media have and the 24-hour news cycle are all a piece of that."

"We spout off all these high ideals and goals of journalism," Ms. Mims said, "and then you get a story where the principal characters are of questionable character, and the details have a salacious aspect, and the whole blasted thing is based on anonymous sources. That combination is troubling."

There is little disagreement about whether news organizations should be covering the story, concerning as it does accusations that President Bill Clinton had sex with a former White House intern and encouraged her to lie under oath. Those accusations, which have been emphatically denied by Mr. Clinton, are under investigation by the independent counsel.

"We're talking here about very serious allegations if they're true," said Peter Jennings, the ABC News anchor. "These are not tabloid allegations. The independent counsel calls them grave and serious. This is about a power struggle, this is about a political struggle, and then it is about the way the media cover it."

How the media have covered it is the source of the discomfort. Many journalists say mainstream news organizations have lowered their standards in the face of the information free-for-all that has resulted from the rise of the Internet, talk radio and 24-hour cable news.

"My view is that some of the media are out of control in covering this story," said James Risher, a two-time Pulitzer Prize winner who ran the Washington bureau of the Des Moines Register for nine years. "Rumor and inadequately sourced information are being rushed into print and on the air."

"Much of this is due to competition," said Mr. Risher, who is now director of the Knight journalism fellowship program at Stanford University. "But competition is not going to be an adequate excuse if elements of this story turn out to be wrong."

How the story first surfaced illustrates the problem mainstream news organizations face. When Newsweek magazine opted two weeks ago to refrain from running the story that week, Matt Drudge heard about it and posted a story about the story on his on-line gossip sheet, the Drudge Report.

That report, on Jan. 17, made its way to various Internet news groups, then into the conversation on ABC-TV's "This Week" program the following morning, then onto a CNBC talk show, then onto CBS Radio and finally into major newspapers and network news shows on Jan. 21.

From there, it soared into almost round-the-clock coverage on CNN and MSNBC. Networks began interrupting programs to air White House briefings. Usage of World Wide Web sites shot through the roof; newstand sales went up. Newsweek ended up posting on-line the story it had not been prepared to put in print.

"Did the Web give the story additional velocity? Definitely," Seth Stevenson wrote in the on-line magazine Slate, tracking the story's trajectory. "The ethics cops who patrol newspaper and magazine newsrooms can't control the rumors and unsubstantiated stories that people post to the Web."

Reporters and editors found themselves chasing down rumors that seemed to catapult into truth by simply bouncing back and forth from one medium to another. Some news organizations published reports they had been unable to verify themselves, adding the disclaimer, "if true."

The subject matter, too, was troublesome. The Chicago Tribune has mostly avoided using the phrase "oral sex." The Christian Science Monitor is referring to semen as "residue." Mr. Jennings found himself on the air trying to interview Candace Bushnell, the sex columnist, about men, sex and power.

"Even if you wouldn't have covered something in your paper based on your standards, suddenly it has become part of the public policy discussion, and you are forced to cover it," said David Cook, editor of The Christian Science Monitor.

There was a time when a handful of newspapers and networks acted as gatekeepers for the news. But that monopoly is long gone. Now, everyone seems to compete with everyone. Some longtime journalists say they fear that the divergent standards of different media have begun to blur together.

Cable television is widely believed to have changed network television news. And CNN's coverage of the Gulf War in 1991 is seen by many as the precursor of the kind of television news coverage that characterized events like the O.J. Simpson case and the death of Diana, Princess of Wales.



REUNION — Bill Clinton and his daughter, Chelsea, leaving the White House for Camp David, Maryland. She took the weekend off from Stanford University.

Democratic Fund-Raisers  
Stunned as Money Rolls InBy Richard L. Berke  
New York Times Service

WASHINGTON — Democrats who only days ago feared that the White House sex scandal would cripple their candidates in a midterm election year now say that, to their amazement, the crisis may be galvanizing party loyalists and bolstering efforts to raise money.

In interviews over the last few days, dozens of Democratic politicians, strategists and fund-raising consultants here and across the country said that the accusations against President Bill Clinton, at first glance, could not have come at a worse time: The party faces \$9 million in debt just as it is trying to advance an agenda in Congress and as candidates are gearing up for the November elections.

Still, these Democrats pointed to an unexpected political dynamic. Although some Democrats are reserving judgment and fear that the party could crumble under further revelations, the matter is prompting others to redouble their efforts to help the party financially and politically.

"This is a little bit of a wake-up call," said Beth Dozoretz, a major Democratic fundraiser who had taken a break from asking for contributions — until the scandal broke. "It's very typical that in midterm elections people get lethargic. But this has brought it to the front burner again."

Beyond the polls late last week showing that Mr. Clinton's job approval ratings were among the highest of his presidency, there is independent evidence across the country that, at least for now, Mr. Clinton's difficulties may be something of a boon to the party.

At the Democratic National Committee, Steve Grossman, the national party chairman,

said that although the party's telephone solicitations had declined in the first two days of the scandal, they have since rebounded to the highest point of January, from an average \$25 pledge rate after the matter became public to more than \$30 after the State of the Union Message last Tuesday. "We are seeing a sea change in the way people have responded in the last few days," he said.

At the White House, officials said no politicians had canceled fund-raising events or appearances with Mr. Clinton.

In New York, Democratic Party officials who only weeks ago groused that the national party was undermining their fund-raising efforts said they had been stunned by fund-raising pledges last week. "You could knock me over with a feather," said Judith Hope, the New York Democratic chairwoman. "I assumed the worst would follow."

The New York state party took in \$630,000 in all of last year. When it operated phone banks, the party usually tallied pledges for \$20,000 to \$25,000 in a night. But last Monday night, the party's phone banks took pledges for \$39,750, Ms. Hope said, "which was one of the best nights we've ever had." Last Tuesday, the day of Mr. Clinton's State of the Union Message, the phone calls reaped pledges of \$57,000, a record for a single night, she said.

In the interviews, many Democrats said they were taken aback by the enthusiasm.

"In a certain ironic sense, it has helped," said Representative Charles Schumer, Democrat of New York, who is running for the Democratic Senate nomination, speaking of the scandal. "There's far more enthusiasm for the prescriptions the president laid out in the State of the Union. Because of all the allegations swirling around, it's our refuge."

## Sex and Civics: What Should a Child Be Told?

By Tamar Lewin  
New York Times Service

NEW YORK — Dr. Harold Koplewicz, director of New York University's Child Study Center, tells of the parents who got nervous last week when their 8-year-old son asked what was happening in the White House.

Worried that they were about to face some tough questioning about sex, they stalled, asking, "What do you mean?"

Well, said the boy, "What's an internet?"

Across the country, parents and teachers spent the last week trying to help their children make sense of the president's latest crisis, taking on sensitive topics such as oral sex and marital fidelity and grappling with hard questions about rumors and wire-tap-

ping and betrayal. "My daughter was very upset," said Susan, a woman who refused to give her last name for fear of embarrassing her 15-year-old daughter.

The woman was speaking at an evening session at New York University Medical Center, where specialists from the Child Study Center and Children Now, a children's advocacy group based in California, offered guidelines on talking to children about tough issues.

"She thinks the president's a real sleazeball," the mother said, "and she's very concerned about Chelsea."

"I remind her that we don't have all the answers yet, but it does look fishy," the mother said. "We have talked about oral sex before this, and now we're talking about it more. She

sees very clearly how women can be used."

For some, especially those dealing with young children, talking about current events has become treacherous territory. Elementary-school teachers describe discussions in which a third-grader reports that the president may be having an affair, and the next child asks what an affair is.

"I got in a little too deep with my 9-year-old daughter, who had heard some things on the news," said another woman at the New York University meeting.

Dr. Koplewicz stressed that what to say depended on both the child's developmental stage and what the child asks.

"With teenagers, this is a great jumping-off point for discussions about sex and values," he said.

But, Dr. Koplewicz said, children 6 to 8 years old are not ready for sexual details.

"They will want to know if the president has done something bad," he said. "This is a chance to talk about how it's exciting to listen to secrets and gossip, but it's not nice and it's dangerous, and if this were about our uncle, or someone we loved, we wouldn't want to spread these stories, especially when we don't know what actually happened."

Children 8 to 12 years old are the most rigid, rule-driven group, Dr. Koplewicz said.

"They want to know: Did he do it, or didn't he? You can talk about how someone could be an excellent president, but maybe he did this, which would make him a bad husband; that one person could be both things."

## BOOKS

## CUBA LIBRE

By Elmore Leonard. 343 pages. \$23.95. Delacorte Press.

Reviewed by Christopher Lehmann-Haupt

SUDDENLY and surprisingly, after recent novels set in contemporary Florida and Italy and Detroit and New York and Hollywood and Atlantic City, but mostly Florida; suddenly, in Elmore Leonard's 34th and latest, "Cuba Libre," we find ourselves in Cuba almost exactly a hundred years ago.

And instead of Leonard's usual noir-comic, claustrophobic beat of small-time hustlers and con men, the world here opens up to reveal a wide panorama of the Cuban revolution and the Spanish-American War, complete with the blowing up and sinking of the Maine in the opening pages, witnessed by Private Virgil Webster, a seagoing Marine and one of the casualty's few survivors.

"And the second explosion rocked the Maine amidst the towering twin smokestacks vanishing from Virgil's sight, gone, the superstructure gone, in that moment erupting in a blaze of light, the ship bursting, ripped apart, and Virgil felt himself lifted from the deck, hammock still around him, blown into the cloud of smoke, stunned, his head ringing so loud it was all he heard, blown into the hot sky, an oven, and then falling through smoke to hit the water, the surface on fire, Virgil still wrapped in his canvas shroud."

So how does Leonard thread his way through the chaos of history? Why, by drawing on his considerable skills as a writer of westerns, a genre he perfected in early novels like "The Bounty Hunters," "Last Stand at Saber River" and "Hombre." The focal character in "Cuba Libre" is Ben Tyler, a cowpuncher from Sweetwater, Arizona, who

wears spurs because he likes "the sound they made, the ching, when he walked," and who has recently done time for bank robbery because he tried to collect from men who owed him by going straight to their bank accounts.

Tyler takes no guff from anyone. At the novel's opening, he has arrived in Havana to deliver a string of horses to an American sugar baron, which is actually a cover for an arms shipment to Cuban insurgents. When three Spanish hussars give Tyler a hard time, he tells them, "I thought the circus was in town and you boys played in the band." One of them challenges him to a duel. Tyler says: "What you need to do is get over your touchiness. You understand what I mean? You're too sensitive, got a thin skin on you."

Incensed, the hussar slaps Tyler with his gloves. Tyler punches him in the face. The hussar draws a pistol and aims. Tyler whips out his own weapon and shoots the hussar dead. This gives the Guardia Civil an excuse to arrest Tyler on suspicion of running guns. In jail, he befriends Webster, the survivor of the Maine, who has been arrested, so that he can't testify about the sinking of his ship. The two of them quickly get caught up in the cross-currents of the war and revolution.

PREDICTABLY, because this is a Leonard novel, the story that ultimately unfolds is yet another brilliant retelling of Chaucer's "Pardoner's Tale," with half a dozen or so parties scheming to make off with a fortune in ransom money intended for the revolutionary cause. What Leonard does with his usual skill is modulate the reader's like and dislike of the various characters so that "Cuba Libre" resolves itself in a satisfying finale of revenge.

And naturally, the prose is Leonard's familiar compounding of present participles: "The mulatta served them coffee

in the early morning of the 27th, the two leaning on the table to conspire: her lover in his uniform talking, talking — it was what he did — and her brother listening, Osma the slave hunter resting on his thick arms, Osma nodding, Osma raising the cup to sip coffee through his beard."

Still, despite these Leonard trademarks, "Cuba Libre" is unusually rich in period atmosphere, not so much because of its colorful mise-en-scène as because the author seems, as always, so uncannily at home with the slang and terminology of the times, even down to playfully detailing the contents of his heroine's traveling bag: "Sweet Caporal cigarettes, bottles of Ayer's pills, Lydia E. Pinkham's Vegetable Compound, Sherman's Papillary Oil, and a half pint of quinine."

And then, of course, there's Leonard's take on the war. Through the character of Neely Tucker, a correspondent for The Chicago Times who keeps framing scenes with his own florid prose, we hear of the charge up San Juan Hill of Teddy Roosevelt and his Rough Riders: "In some accounts they're even on horseback. But there was no mounted cavalry during the campaign; all the horses had been left at Port Tampa, though some staff and division officers had horses." He continues, "Teddy did take Kettle Hill, but by the time he got to the San Juan Heights the battle was almost over."

"American soldiers won this war," Tucker concludes, "despite the incompetence of their leaders." And what they won it for, another character insists, was to protect American business interests in Cuba.

But happily, Leonard is too good a storyteller to let such political views shape his characters. Their cynicism is all their own. And they act on it with the courage of their own amusing contempt.

New York Times Service

## BRIDGE

By Alan Truscott

A TRANS-Atlantic partnership captured the prestigious Cap Gemini World Top Pairs in The Hague recently. Zia Mahmood, the Pakistani star who lives in Manhattan, was playing with the top-ranked British player, Tony Forrester. They held a big lead at the start of the final session but were challenged by two Italians, Andrea Buratti and Massimo Lanzarotti. The margin was 13 victory points with one match remaining to be played, but Zia and Forrester held on to win by 21.

The final standings were: first, Zia and Forrester, 857; second, Buratti and Lanzarotti, 836; third, Tor Helness and Geir Helgemo, of

Norway, 815. The highest-ranked Americans were David Berkowitz, of Old Tappan, New Jersey, and Larry Cohen, of Boca Raton, Florida, who were sixth, with 785.

Cohen and Berkowitz sat North-South on the dynamic deal shown in the diagram, with another American pair, Eric Rodwell and Jeff Meckstroth in the East-West seats. North's two-club opening was natural. South was eventually doubled in five hearts, a contract that would make an over-trick with normal breaks.

The lead of the spade nine was "reverse suit-preference," asking for a club return. South ruffed and carefully led a diamond. East won and led a trump, taken by the ace.

Now Cohen should have

ruffed a diamond, ruffed a spade, and repeated the process. Drawing trumps would then have squeezed East and produced an over-trick. Instead he led a club, giving West a chance to ruff. If he had done so, South would have had no trouble. But West discarded, and the club king was in dummy.

Cohen ruffed a spade, ruffed a diamond, ruffed a spade and ruffed one more diamond. Now he was in the wrong hand, with nothing but clubs in the dummy. He led to the queen, and West was able to ruff. But he had no more diamonds, and whether he led a spade or a trump, South could use his last trump to squeeze East in the minor suits.

South made his contract, and gained 13 imps. East-

West were left to regret that they had not continued to five spades, a contract that succeeded at other tables.

NORTH (♠)			
♠ J86			
♥ Q94			
♦ 8			
♣ AK10732			
WEST			
♠ K875432			
♥ 1083			
♦ A73			
♣ —			
EAST			
♠ AQ10			
♥ 75			
♦ KQ542			
♣ J984			
SOUTH			
♠ —			
♥ AKJ782			
♦ J1096			
♣ Q65			
The bidding			
North	East	South	West
2♣	Pass	2♥	2♠
2♥	4♣	5♥	Pass
Pass	Dbl.	Pass	Pass
Pass			

West led the spade nine.

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## ASIA/PACIFIC

## World Bank Targets the Next Asian Danger: Growing Social Unrest

By Michael Richardson  
International Herald Tribune

SINGAPORE — In a major effort to prevent large-scale social and ethnic unrest from derailing economic reforms in East Asia, the World Bank is considering allocating \$9 billion to emergency job creation and other programs to ease poverty in the region.

The money will be drawn from \$16 billion in loans pledged by the bank to East Asian countries since financial turmoil hit them in July, James Wolfensohn, the World Bank president, said in an interview Sunday.

"I don't know the exact numbers," he said, when asked how much of the \$16 billion would go toward protecting the poor and providing a social safety net. "But it might be 60 percent, or of that order."

Warning that "many, many mil-

lions" of Asians would lose their jobs as a result of the crisis, Mr. Wolfensohn said the bank would work closely with regional governments to develop programs to help the poor. He indicated that additional money would be made available if needed.

"In Asia, there isn't the sort of social welfare support that exists in the West," Mr. Wolfensohn said. "When you no longer have high economic growth, you fall and there is no safety net to catch you."

Most of the World Bank credits will go to Indonesia, Thailand and South Korea — the three countries forced by crisis to turn to the International Monetary Fund for assistance. They have had to accept harsh austerity measures and other sweeping reforms to their economies in exchange for IMF-led loans totaling more than \$100 billion.

Mr. Wolfensohn, who is on a nine-day tour of East Asia, made it clear in the interview that the bank supported the main thrust of the IMF measures but was concerned that rapidly rising unemployment as economic growth stalled could undermine political support for the reforms.

"The bank is coming in to work with governments on social sector programs that can be effective in alleviating the worst consequences of the crisis," he added.

Mr. Wolfensohn announced Saturday in Bangkok that the bank would extend \$300 million in new loans to Thailand to help cushion the impact of ballooning unemployment.

He said that the "social investment" loan package would go toward creating jobs in rural areas and would use existing government and community-based programs.

Thai officials said the loan would be in addition to the \$1.5 billion pledged by the World Bank as part of the \$17.2 billion IMF bailout for Thailand.

Mr. Wolfensohn said that when he visited Indonesia and South Korea this week, he would discuss making more money available to those countries for emergency job creation and the easing of poverty.

"My own view is that the availability of funding is likely to be there," he said. "I am working with the governments on what are the types of programs that can provide efficient and effective delivery of the sort of help that we can give."

The World Bank's move to expand its support for government programs to cushion the impact of rising unemployment follows signs of social unrest. In South Korea, the opposition of unions to

IMF-mandated layoffs is stiffening, while in Indonesia riots have broken out over increases in the price of food that quickly turned into hostility toward the country's economically influential Chinese minority.

South Korea will convene a special session Monday of the National Assembly in Seoul. A spokesman for President-elect Kim Dae Jung's party said Sunday that adoption of legislation making layoffs easier was expected to lead the agenda.

The militant Korean Confederation of Trade Unions renewed a warning Saturday that it would call a general strike if the government pushed through the legislation without labor's consent.

South Korea law make it hard for businesses to dismiss workers, and unions have been demonstrating almost daily against the proposed changes.

President Suharto of Indonesia was

quoted as saying in an interview Sunday that the collapse in the value of the Indonesian currency, the rupiah, since July had destroyed many of the economic advances made by the world's fourth-most-populous nation over the last 30 years. The comments were published in the Japanese financial daily Nihon Keizai Shimbun.

The government-sponsored All Indonesia Workers' Union estimated recently that unemployment in Indonesia this year would reach 13.5 million, or 14.7 percent of the work force, an increase from nearly 52 percent from 8.9 million last year.

In addition, the union said that the number of underemployed, or part-time, workers would reach almost 49 million, or 53 percent of the work force, in 1998 — up more than 21 percent from 1997. Indonesia has a population of 200 million.

## BRIEFLY



First Prime Minister Ung Huot, left, listening to Nady Tan, a former dean of Funcinpec, at a party congress Sunday in Phnom Penh.

## Ex-Ranariddh Allies Create Two Parties

PHNOM PENH — Two senior members of the Funcinpec party of the deposed first prime minister, Prince Norodom Ranariddh, formed their own political parties Sunday.

Ung Huot, the prince's replacement as first prime minister, said he was forming the Populism Party. Earlier Sunday, the secretary-general of Funcinpec, Loy Sim Chieang, formed the New Society Party.

Officials from both parties said that although they were formally breaking with Prince Ranariddh, they supported his father, King Norodom Sihanouk, as the constitutional monarch. (Reuters)

## New Tamil Fighting

COLOMBO — More than 300 Tamil Tiger rebels were killed in a battle in northern Sri Lanka just days before celebrations for the country's 50th anniversary of independence, the Defense Ministry said Sunday.

The fighting, the first major battle with separatist rebels since December, came one week after a bomb explosion at a Buddhist shrine in Kandy forced the government to move the anniversary festivities planned for Wednesday to Colombo.

The Defense Ministry said that a large rebel force began an attack on northern Kilinochchi district late Sunday and that fighting continued until early Sunday. Twenty government soldiers were killed as troops repulsed the attack.

The government outlawed the Lib-

eration Tigers of Tamil Eelam last week after blaming the rebels for the bomb blast that damaged Sri Lanka's holiest Buddhist shrine and killed 16 people. (Reuters)

## A China-Japan Thaw

TOKYO — China's defense minister will come to Japan this week, the first such visit in 14 years and part of what analysts say is a thaw in relations between Tokyo and Beijing.

"China is not as sensitive or suspicious toward Japan as it used to be," said Tetsuya Tsukamoto, political professor at National Defense Academy.

The six-day visit starting Tuesday by the Chinese defense minister, Chi Haotian, follows a series of meetings last year between Prime Minister Ryutaro Hashimoto of Japan and Chinese leaders including Prime Minister Li Peng.

The high-level dialogue has helped to reduce, if not eliminate, Chinese concerns over Japan's World War II past, its new military profile and territorial issues such as Taiwan, the analysts said. (Reuters)

## Bomb Scare on Jet

TOKYO — A Garuda Indonesia passenger airplane bound for Osaka, Japan, returned to Jakarta one hour after takeoff Sunday because of a bomb threat, airline officials said.

An official at Kansai International Airport in Osaka in western Japan said three passengers were injured in an emergency evacuation. No bomb was found aboard the craft, an Airbus A-330 carrying 225 passengers and crew, officials said. (Reuters)

## In East Asia's Crisis, Seeking to Protect the Poor

The International Monetary Fund and the World Bank have been the two main organizations working with governments in East Asia on reforms and other measures to cope with the region's financial crisis. In Singapore on Sunday, James Wolfensohn, president of the bank, discussed developments with Michael Richardson of the International Herald Tribune.

Q. What are the main problems the World Bank is focusing on in Indonesia, Thailand, South Korea and other East Asian countries affected by the financial turmoil and economic slowdown?

A. There are two strands. The first deals with what happens after the IMF has brought some stability to financial markets. We are working with governments to restructure their banking and financial systems and with the private sector to restructure their equity and ensure that they can continue their business.

Strand two is the social aspect. The impact of the crisis is felt most by poor people, both in the city and in the country. The bank is coming in to work with governments on social-sector programs that can be effective in alleviating the worst consequences of the crisis.

Q. The World Bank has so far pledged about \$16 billion in loans to East Asia to cope with the problems. Are you satisfied that enough of the money is going to protect the poor and other vulnerable groups, rather than strengthening the banking systems?

A. Yes. But I am also certain that unless you have a viable financial sector, a functioning business community and a growing gross domestic product, you can't do much for the poor.

The money we put into restructuring financial and banking systems is very much in the interests of the poor. With openness and transparency, you can ensure stability and a better deal for poor people so they are not being taken advantage of by pirates and others who are corrupt. So I think the suggested contrast that one part of the World Bank's work is for the rich financial sector and the other is for the poor may be misleading. You really need both.

Q. Has the World Bank made any estimate of the number of people in East Asia who are likely to lose their jobs in 1998 and subsequent years?

A. No, we haven't. But there will be many, many millions. In Asia, there isn't the sort of social welfare support that exists in the West. When you no longer have high economic growth, you fall, and there is no safety net to catch you.

The people who are most vulnerable are those who have moved from poverty, which we describe as living on an income of under \$1 a day, to that zone between \$1 and \$2 a day. There are many in that group.

Q. You announced in Bangkok on Saturday a new \$300 million loan for a social investment program to help create jobs in rural areas of Thailand. Is the World Bank prepared to make more money available to Indonesia and South Korea to help cushion the impact of rapidly rising unemployment?

A. That is what I am in the region to talk about. I'll be discussing it with the Indonesians this week. My own view is that the availability of funding is likely



James Wolfensohn of World Bank.

to be there. I am working with the governments on what are the types of program that can provide efficient and effective delivery of the sort of help that we can give.

The Indonesian government can be very efficient in the way it carries out programs to help the poor.

Q. And that the money doesn't get

siphoned off into corrupt pockets? A. I don't think that anybody would believe that corruption is not evident in some parts of Indonesia. What I am saying is that in terms of delivery to the people, there is absolute evidence that there has been a change in the number of Indonesians who live below the official poverty line of under \$1 a day. The proportion of the population in dire poverty has fallen from 40 percent

20 years ago to 11 percent this year.

Q. Are you concerned that mass unemployment in Indonesia and other hard-hit countries in East Asia will ignite social and ethnic tensions?

A. Of course I am concerned about it. But giving economic hope can alleviate this risk. Whether it is in Asia or Congo or Gaza or Bosnia, the only way that you can have stability and peace is if people have that kind of hope.

Q. Critics of the IMF claim that the austerity conditions it imposes on governments in exchange for multibillion-dollar loans are aggravating the crisis by throwing more people out of work and creating the kind of social stress and economic hardship that you say the World Bank is coming in to alleviate.

A. I've heard those criticisms. But the first thing you have to do when you're in a crisis is to steady the situation. When you have a free fall of currencies and stock markets, you have to restore confidence. I think the IMF programs have been designed first and foremost to restore economic confidence — to put a tourniquet around the bleeding arm. Arguments as to where you should put the tourniquet or how tightly you should do it are more art than science, in my judgment.

They have done a good job. I think that what they are now doing is going back on a second mission to see how their programs relate to current conditions in the country, including the impact on the poor, job-creation and liquidity for the private sector. I have confidence they'll come out with a good result.

## Beijing Attacks U.S. Report on Rights

Compiled by Our Staff From Dispatches

BEIJING — A U.S. report noting improved tolerance of dissent by the Chinese government drew a sharp reply Sunday from Beijing, where a government spokesman accused Washington of meddling, hypocrisy and fabrications.

China respects the need to protect human rights and basic freedoms outlined by international law, a Foreign Ministry spokesman, Zhu Bangzao, said in remarks carried on state-run television.

"The real motive of the U.S. side is to interfere in China's internal affairs on the pretext of caring about China's human rights," Mr. Zhu said of the State Department's annual report on the state of human rights in the world. "We hereby express our firm opposition to the U.S. act of seriously violating the basic norms of international relations."

The U.S. report, issued Friday, said the human-rights situation in China had improved somewhat in 1997. Authorities continued to detain thousands of political prisoners, it said, but showed limited tolerance of criticism of government policies and calls for reform by dissidents, academics and former officials.

Mr. Zhu dismissed the criticisms, saying China had made great advances in improving the political, economic and social rights of its 1.2 billion people. The United States, he said, "has made irresponsible remarks about China's human-rights situation, willfully distorted the truth, made unwarranted charges and remained silent about its own domestic human-rights abuses."

He added, "The U.S. government should respect facts, respect the principles of international law and stop using the pretext of so-called human-rights problems to interfere in other countries' internal affairs."

But in what appeared to be a reflection

of the recent warming in U.S. ties, Mr. Zhu's comments were brief by comparison with Beijing's previous lengthy defenses of its rights record and attacks on Washington's human-rights policy.

A human-rights group reported, meanwhile, that police in the southwestern province of Guizhou had arrested four poets known for their liberal views who had been planning to publish an independent literary journal.

Wu Ruohai, Xiong Juren, Ma Zhe and Ma Qiang were taken away Monday, and their families have not been told the reason for their arrests, the Information Center of Human Rights and Democratic Movement in China said, citing sources.

In another development, Xu Wenli issued a letter urging China's legislature to ratify United Nations human-rights covenants. Mr. Xu spent 12 years in prison for his role in the 1979-81 Democracy Wall movement. (AP, Reuters)

But in what appeared to be a reflection

## Japan Town Is Attacked By Monkeys

By Kevin Sullivan  
Washington Post Service

TOKYO — A pack of wild monkeys terrorized a seaside resort town south of Tokyo last week, attacking 30 people and sending eight of them to the hospital with bites.

The victims, mostly women, were attacked from behind, often in their own homes, by monkeys who bit them on the ankles, calves and backs. One woman, 62, was bitten as she vacuumed her living room; another was jumped on the street and pushed to the ground.

"I have lived for 77 years," she said. "And this is the first time I've been attacked by a monkey."

Officials in the town of Ito, on the Izu Peninsula, have no idea why the usually peaceful monkeys came down from the mountains. They speculate that an unusually snowy winter has made it hard for them to find food, forcing them into town to scavenge. But that does not explain the bad attitude, or why 26 of the 30 victims have been women from 40 to 80 years old.

At least five monkeys, each standing about 1 meter (3 feet) high, have been spotted tangled in people's laundry or going for the ceremonial fruit on the Buddhist altars that many people have.

The town is fighting back. At one school, people are guarding the building with long sticks to swat away any monkeys that come near the children.

Loudspeakers, which normally warn townspeople in the event of earthquakes, are broadcasting this message: "Monkeys are on the loose. If you go out, lock your door. Be cautious. Do not give them food."

The monkeys have shown a remarkable aptitude for opening locked doors and entering homes.

Fukuyo Inaba said she had been vacuuming when she was bitten from behind, on the ankle, and saw what she thought was a dog running out the door.

She pulled the sliding door shut and returned to work, only to be attacked again.

This time, she saw that it was a monkey, which had managed to open the door. When she shouted and began banging on a chair, the monkey retreated.

## For Beijing Students, the Communist Party Club Is Back in Fashion

By Erik Eckholm  
New York Times Service

BEIJING — In an era of business deals and fervent conservatism, when the MBA is hot among graduating seniors, why do more and more of the better college students yearn to join a seemingly outdated club — the Communist Party?

At Beijing University, the country's most prestigious school, which draws an elite student body from around the country, 10 percent of the 8,733 undergraduates are now party members. That proportion is up from 5 percent in 1991, when the party was in low repute after the violent crackdown on students demonstrating in favor of democracy in 1989.

More than 20 percent of the Beijing University students have sought to join, and applications are increasing each year, party officials say. But it is not easy to get into this exclusive club.

The numbers of applicants and members are also climbing at other leading universities, the officials say. Nationally, the Communist Party's total membership has grown to a historic high of 58 million, up from 48 million in 1989 and 4.5 million back in 1949, when the People's Republic of China was founded.

There are two explanations for the party's continuing growth. One is offered by Wang Dang, 20, a junior at Beijing University who had started his quest for party membership while still in high school in the southern coastal province of Zhejiang.

"This is an outstanding party with an outstanding purpose, to change society for the better," he said. "It's attractive to anyone who is searching for higher ideals in life."

The other explanation is offered by a longtime party member now in his 60s, a disaffected "liberal" who spoke on condition of anonymity: "People may have joined the party for ideals. Now, most of them are joining because they want power and seek personal gain."

The elder's view is shared by many students who tend to be openly skeptical of the motives of those who join the party, noting, among other things, that a party card helps graduates from the provinces get jobs that allow them to live in Beijing.

What is certain is that even today, membership in the all-powerful party can bring enormous advantages. For those who seek a career in government, it is indispensable. For the large numbers who will end up working in state-owned companies, a party card is required for advancement to senior management positions.

Even many leading private business-

men choose to join because membership can open doors with the government and party officials who control vital information and authority.

"The Chinese Communist Party has become a network of bureaucratic elites," said Shuisheng Zhao, a professor of politics at Colby College in Maine and editor of the Journal of Contemporary China. Young people are joining, he said, because of "the power of party membership to enhance their career in the bureaucratic system."

The party itself is less monolithic and demanding of its members than it used to be, noted Kenneth Lieberthal, a professor of politics and business at the University of Michigan, "and therefore it can actually be attractive for people who want to bring about better governance."

But he added: "A substantial portion of the most exciting and potentially lucrative positions in China's marketizing economy are disproportionately available to those who are party members. The party has become the establishment

of the most rapidly growing — and perhaps the most rapidly changing — country on earth."

Whether a growing share of less-than-committed cadres will help the party keep its monopoly on political power is also a matter of debate.

The party elder said that with so many people falsely claiming to believe, "it creates an environment of lies, and this will eventually erode the power of the party."

Roderick MacFarquhar, an expert on Chinese politics at Harvard University, said it was clear that most new members mainly want to further their careers.

"Recruits of this type only further adulterate the ideological nature and esprit de corps of the party, and indeed are a symptom of how far that degeneration has already gone," he said.

But Mr. Zhao of Colby College noted that rising party membership reflects the pragmatism prevailing in China today. "This pragmatism could help the party

## Sonia Gandhi Opens Congress Party Campaign

Reuters

AMETHI, India — Sonia Gandhi kicked off the Congress (I) Party's election campaign in the northern state of Uttar Pradesh on Sunday in the Amethi constituency of her late husband, Rajiv Gandhi, a former prime minister.

Describing her visit as a "homecoming," the Italian-born widow urged the government to complete the inquiry into her husband's assassination.

An Indian anti-terrorist court on Wednesday condemned 16 Sri Lankans

and 10 Indians for their roles in the killing. Mr. Gandhi, then in opposition, was blown up by a suicide bomber as he campaigned for national elections in the southern town of Sriperumbudur on May 21, 1991.

Mrs. Gandhi said those involved in the conspiracy leading to the assassination had yet to be exposed.

Despite the verdict against the 26 accused, "I would expect the government not to allow any let-up in the investigations," she said at an election

rally of about 100,000 people. "Let the world know the whole truth."

Accompanied by her son, Rahul, her daughter, Priyanka, and son-in-law, Robert Vadra, Mrs. Gandhi was introduced to the crowd as the "bride of Amethi" by her late husband's protégé, a pilot-turned-politician, Satish Sharma.

Mr. Sharma is seeking re-election in Amethi for the third time.

Indian voters go to the polls for the second time in two years from Feb. 16 to March 7.











## INTERNATIONAL

## Robust Economy Gets Credit for U.S. Budget Surpluses

By Clay Chandler  
Washington Post Service

WASHINGTON — In the budget that he will submit to Congress on Monday, President Bill Clinton will propose a package of tax and spending measures he estimates will generate a \$9.5 billion surplus in fiscal 1999, and nearly \$1 trillion in surpluses over the next decade.

The proposed surplus, if realized, would mark the first time that the federal government has taken in more annually than it has spent since 1969, when Lyndon Johnson to finance the Vietnam War yielded a modest surplus of \$3.2 billion.

The surplus would reverse the trend of three decades in which the federal government added nearly \$3.5 trillion in red ink to the national debt, which now stands at \$5.4 trillion. Many budget analysts think that it could signal the end of a period in which ever-larger federal deficits were considered an unhealthy but largely uncontrollable aspect of U.S. economic policy.

Mr. Clinton's budget projects steadily growing surpluses in each of the next 10 years, with a windfall of about \$219 billion in its first five years. In their most recent forecast, analysts at the Congressional Budget Office project comparable surpluses over a five-year period and \$660 billion in excess revenue over 10 years even if there are no changes in current tax and spending policies.

"It's just amazing—a different world," marvels

Gene Sperling, director of Mr. Clinton's National Economic Council. His summary of the new budget outlook: "Surpluses as far as the eye can see."

Members of Congress, too, express astonishment. "When I came here 20 years ago, we were looking at a totally, absolutely, incredibly different environment," recalled Representative Robert Livingston, the Louisiana Republican who heads the House Appropriations Committee. "We had the Cold War and the Soviet Union aiming missiles at us. Jimmy Carter said we were running out of oil in an energy crisis." He added, "We had inflation, unemployment and high interest rates."

And today? "The Soviet Union doesn't exist," Mr. Livingston said. "Inflation is almost nonexistent, interest rates are at a generational low and the biggest worry for businesses is finding enough skilled labor. There is no energy crisis. We've tackled welfare, crime is on its way down and the stock market has risen to all-time highs. Last year we had the first tax cut in 16 years and, effectively, we've already balanced the budget. It's a whole new America."

How, exactly, did the United States get here? The answer is complex.

Politicians in Washington are eager to claim credit for leading the economy to the promised land. But budget analysts tend to assign far more significance to the remarkable resurgence of the economy, which has improved federal tax revenue as it lifted the incomes of nation's families and firms.

Experts say, too, that the sudden flood of revenue

has come not just from economic growth, but the structure of that growth, with a disproportionate share of gains flowing to businesses and high-income households taxed at higher rates.

Of course, the full saga of the shrinking budget deficit has a tangled plot line.

In the story told by Republicans, former President Ronald Reagan gets top billing. The giant tax cut he pushed through in 1981 unleashed the century's biggest economic boom, conservatives said.

Republicans who seized control of Congress in 1994 also play a starring role in this version for setting a deadline for a balanced budget—and forcing Mr. Clinton to embrace their goal.

Democrats tell it differently. In their version, the climactic scene is passage of Mr. Clinton's first budget, narrowly enacted in 1993 without a single Republican vote.

To hear Mr. Clinton supporters tell it, that plan, which called for \$500 billion in deficit reduction over five years, promptly led to lower interest rates, brought the bulls charging back to Wall Street and set in motion what Lawrence Summers, a Clinton economist, calls a "virtuous circle" of expanding growth.

"The 1993 budget deal freed up hundreds of billions of dollars for private investment, which grew the economy, which increased revenues, which reduced the deficit and freed up still more for private investment," Mr. Summers said. "It reversed the vicious cycle of previous policies."

Investors, meanwhile, tend to credit another act-

or: the Federal Reserve chairman, Alan Greenspan, whom they praise for his vigilance against inflation and seeming willingness to let the economy grow faster than other economists had thought possible.

Still, whatever the contributions of individual policymakers in balancing the budget, their task was simplified enormously by the unexpectedly robust growth of the U.S. economy this decade.

Historically, the growth of mature industrialized economies like that of the United States has followed an unnerving boom-bust pattern known as the business cycle, in which expansion is punctuated every few years by periods of contraction.

Since March 1991, the end of the last recession, the U.S. economy has grown without interruption. If it lasts through the calendar year, this will become the longest peacetime expansion in American history. Growth during this remarkable period has averaged a real annual rate of 2.9 percent. Last week, the federal government announced that in 1997, the economy grew by 3.8 percent.

Unemployment, meanwhile, has fallen to 4.7 percent last year from 7.7 percent in 1991.

Historically, when unemployment has declined to such low levels, inflation has been quick to follow. The fight to tame that rise in prices has generally involved raising interest rates, as well as other policy moves that can precipitate a slump.

For now, however, economists see no signs of inflationary pressure and in the absence of a major external shock, few see reasons that the economic good times should come to an end any time soon.

## BRIEFLY

## Lebanese Troops Ease Village Siege

BRITEL, Lebanon — The Lebanese Army pressed its manhunt Sunday for Sheikh Sobhi Tufaili but eased a siege of his home village to allow the funeral of his aide killed in an army assault last week.

Heavily armed troops surrounding the anti-Western Shiite cleric's home village of Britel in eastern Lebanon allowed about 10,000 people to hold a funeral for Sheikh Khodr Tays, Sheikh Tufaili's right-hand man.

Angry throngs at the funeral shouted slogans against the pro-Iranian Hezbollah, which recently expelled Sheikh Tufaili. His occupation of a Hezbollah school triggered clashes with the army. (Reuters)

## Bonn Urges Tehran To Release German

BONN — Germany urged Iran on Sunday to free a Hamburg businessman sentenced to death by stoning for having sexual relations with a Muslim woman.

Foreign Minister Klaus Kinkel said he and the government were "shocked" by the Tehran court ruling last Monday against 56-year-old Helmut Hofer.

"I urge the Iranian justice authorities to apply humanity and justice," Mr. Kinkel told the newspaper Bild am Sonntag. "Let Helmut Hofer go free." (Reuters)

## Mexican Drug Ring Infiltrated Probe

MEXICO CITY — A government investigation into the disappearance of scores of people in northern Mexico has been thrown into turmoil by the discovery that narcotics traffickers infiltrated one of their agents into the unit carrying out the inquiry.

Attorney General Jorge Madrazo Cuellar said in an interview that he had been stunned to learn that a federal police officer with ties to traffickers had been assigned to take part in one of the country's most sensitive investigations.

"I lost all confidence in the group," Mr. Madrazo said. He said he intended to appoint new prosecutors and detectives to carry out the investigation. (NYT)

## Asians Worry Scandals Will Weaken Clinton

## U.S. Support for Bailout Seen in Balance

By Michael Richardson  
International Herald Tribune

SINGAPORE — With President Bill Clinton dogged by scandal, analysts say Asian countries are concerned that his problems could weaken American leadership in the region at a critical time, especially in maintaining international support for programs to help revive seriously ailing economies in Indonesia, Thailand and South Korea.

Asian countries are also worried that the allegations, denied by Mr. Clinton, that he had sex with a former White House intern and then told her to deny it under oath will drag on unresolved for months, distracting the president's attention from Asian problems and allowing protectionist forces in Congress to gain strength.

Analysts said this could undermine any further U.S. free-trade initiatives and result in new barriers to imports that would hit East Asia hard, particularly the countries worst affected by the financial crisis. These nations see increased exports to the American market as an important route to recovery.

"President Clinton's credibility and authority in the U.S. has definitely suffered because of this affair," said Jusuf Wanandi, chairman of the supervisory board of the Center for Strategic and International Studies in Jakarta.

"We are worried whether he can now persuade Congress to agree to replenish the capital of the International Monetary Fund or gain fast-track negotiating power to press ahead with further free-trade initiatives. Exports are one of the ways for us to get moving again."

Many Asian leaders agree with U.S. Treasury Secretary Robert Rubin, who said recently that U.S. financing for the IMF was the key to upholding confidence in Asia.

Prime Minister Chuan Leekpai of Thailand told business executives gathered for the annual meeting of the World Economic Forum in Davos, Switzerland, that Asian economies would resume their role as one of the engines of global growth if they stuck to the reform path agreed with the IMF in exchange for multibillion-dollar rescue loans.

Since many East Asian currencies and stock markets went into free fall starting in July as investors deserted the region in droves, and with former high-growth economies facing a prospect of recession in 1998, the IMF has put together bailout packages of about \$17 billion for Thailand, \$40 billion for Indonesia and \$60 billion for South Korea.

But the United States, the largest contributor to the IMF, may not support replenishment of its capital. Mr. Clinton is seeking nearly \$19 billion from Congress for this purpose, but he faces an uphill battle persuading the public and lawmakers to back the proposal.

In his State of the Union Address on Tuesday, the president warned that if the crisis in Asia deepened, consumers in the region would not be able to afford to buy U.S. products.

And if their currencies continued to fall in value against the dollar, he said, prices of their goods would drop further, flooding U.S. markets with cheap imports and making it harder for American companies to compete.



With officials encouraging them, Iraqi civilians shouting anti-American slogans Sunday in Baghdad.

## France to Send Envoy to Iraq With Warning

Compiled by The Staff From Dispatches

PARIS — France will send a senior official to Baghdad within 48 hours carrying a warning from President Jacques Chirac of the consequences if Iraq failed to comply with United Nations resolutions, the French Foreign Ministry said Sunday.

A ministry statement identified the envoy as Bertrand Dufourcq, the ministry's secretary-general, and said "France thus wants to warn Iraq about the risks of the current situation and to recall the principles of a diplomatic solution that can only be based on Security Council resolutions."

France's intention to send a message to Iraq had been made known Friday after Mr. Chirac spoke by telephone to President Bill Clinton of the United States.

Mr. Chirac told Mr. Clinton that "all options remained open" in dealing with the crisis of Baghdad's refusal to allow UN arms teams to inspect secret sites. But Mr. Chirac's spokeswoman, Catherine Colonna, stressed after the phone call: "Among the possible options, France prefers the diplomatic route."

Interior Minister Jean-Pierre Chevènement, meanwhile, called Sunday for an end to economic sanctions against Iraq and termed statements by the chief UN arms inspector "ridiculous."

His comment signaled dissension in the government in the dispute with Baghdad. Mr. Chevènement — who in 1991 resigned as defense minister rather than take part in the Gulf War against Iraq — called for an end to the confrontation, telling France Info state radio that "Iraq is no longer a military menace" and "it is time to lift this ferocious embargo." (Reuters, AP)

## IRAQ: U.S. Set to Use 'Substantial' Force in Weeks, Albright Warns

1990 invasion of Kuwait.

Mrs. Albright said the United States generally supported expanding the program but would not commit itself to any magnitude.

The UN secretary-general, Kofi Annan, said over the weekend that he would present a report proposing improvements in Iraq's oil-for-food deal to the Security Council.

"We will be examining Kofi Annan's proposal specifically," Mrs. Albright said in Jerusalem before heading to the Gulf. "In a general way, we do support an expansion of the oil-for-food program."

Mr. Annan declined to give details about his report other than to say it would propose improvements for the Iraqi people. UN sources said Mr. Annan was expected to recommend increasing humanitarian supplies for Iraq by more than \$2 billion.

Later in the week Mrs. Albright will visit Saudi Arabia, the most influential Gulf Arab state, and Bahrain — headquarters of the U.S. 5th Fleet — which patrols the region. Bahrain assumed a UN Security Council seat this year as a nonpermanent member.

"If diplomacy runs out, we have reserved the right to use force, and if we do so it will be substantial," Mrs. Albright said in Jerusalem.

Washington has about 30 warships and 300 aircraft in the Gulf and says it is ready, with or without international approval, to attack command centers and bases as well as sites suspected to house chemical or biological arms.

Mrs. Albright warned Iraq it would face a forceful U.S. response if it attacked countries in the region. Iraq fired Scud missiles at Israel and Saudi Arabia in the 1991 Gulf War over Kuwait.

"If they do threaten their neighbors or do damage to them, our response to it will be swift and forceful," she said after talks with the Palestinian leader Yasser Arafat and Prime Minister Benjamin Netanyahu of Israel.

As fears of a military showdown rose, more countries added their weight to diplomatic efforts.

Foreign Minister Ismail Cem of Turkey, whose country backed the U.S.-led military coalition that drove Iraq from Kuwait, said he was going to Baghdad to seek a peaceful settlement.

"A military strike seems imminent,"

he said in Davos. "That is why we are trying our best to find a diplomatic solution."

Russia, which like Turkey is suffering severe economic losses because of the sanctions against Iraq, sent a diplomat to Baghdad for the second time in a week.

"They have made certain proposals," President Boris Yeltsin's personal envoy, Viktor Posuvaylov, said of the Iraqis on Russian state television. "We have to try to get more concessions from them."

The official Iraqi press agency, INA, said Mr. Posuvaylov crossed into Iraq from Jordan on Sunday.

President Hosni Mubarak of Egypt, reflecting a view widely held in the region, said diplomacy should not be abandoned.

"The time is inappropriate for a military strike and will only increase the tension in the region," he told the state-owned Al Akhbar daily, adding, "I urge the Iraqi leadership to contain the situation for the sake of the Iraqi people."

The dispute between Iraq and the United Nations hinges on Baghdad's disagreements with inspectors seeking materials related to its weapons programs. (Reuters, NYT, AFP, AP)

## SADDAM: In Iraq, Vast Monuments to the Glory of the Leader

Continued from Page 1

asked Ahmad to tell him what he really wanted.

"One egg, please," Ahmad whispered in the doctor's ear.

Despite the oil embargo, Mr. Saddam seems stronger than ever. In two weeks of interviews here with Iraqis, United Nations officials, diplomats and Asian and European business executives, many say they believe that he may even be picking up political support, especially among the young who have been well indoctrinated in the schools. Mr. Saddam has been in full control for nearly 20 years, and for a decade before that was a

rising star in the Arab Ba'ath Socialist Party, which came to power in 1968.

Despite the oil embargo, or perhaps because of it, many Iraqis, publicly at least, direct their anger at the United States, rather than at their president.

"Do you think we wanted to invade Kuwait?" one unusually outspoken Iraqi remarked. Then he added, "But was that enough that our children should be dying every day?"

It is all but impossible to gauge public opinion, though, because Iraqis seem to be under scrutiny at all times by a vast network of security agencies with outposts in most neighborhoods. "Please don't take pictures here," a taxi driver begged a reporter who was dropped off at a well-known restaurant. "They will take down my number and come to my house tonight to ask what I am doing with a foreigner in my car."

Mr. Saddam rules by a potent combination of terror and secrecy. He and his party apparatus permit no dissent. In 1995, he held a referendum on his presidency. Those who watched the process say that in the days preceding the vote, Ba'ath Party workers combed every neighborhood, going door to door to ask if the household had ration cards, a subtle message that the family's subsidized food might be in jeopardy if adults failed to vote. Rumors were deliberately circulated about the sophisticated methods the government had for detecting negative ballots, even if cast in secret.

As television cameras moved in on the day of the vote, people were seen holding their ballots aloft and chanting, "Naam, naam, Saddam!" or "Yes, yes, for Saddam!" The president won 99.96 percent of the vote.

Mr. Saddam is rarely seen in public. Most of his official appearances are on

government television, and no opposing view comes from satellite television, which is forbidden. It is said that probably no more than a dozen people know where he is at any given time. UN weapons inspectors have been told that he moves from palace to palace from night to night.

Ambassadors based in Baghdad never meet the president — with the exception of Russians. Envoys present their credentials to a vice president or other official. Neither Richard Butler, the chief UN arms inspector, nor his predecessor, Rolf Ekens, a Swedish diplomat who is now ambassador to Washington, were ever given the opportunity to talk directly with Mr. Saddam.

The economic collapse of Iraq has gutted the intelligentsia, once one of the most respected in the Arab world. If any sector of society outside the military might have formed a political opposition, the Iraqi middle class would have been the only hope, a diplomat said.

"It has now been totally destroyed," this envoy said of the middle class. It is a sentiment heard everywhere in Iraq.

An Iraqi professional now earns a base pay of 3,000 dinars a month, or about \$2 at the unofficial exchange rate, for government work, which includes hospitals and universities. A kilogram of chicken costs 1,100 dinars; eggs are about 1,200 dinars a dozen. Fresh fruit and vegetables are priced beyond the reach of most families.

Years before the embargo was even imposed, though, Mr. Saddam's government had made economic policy choices that have now come back to haunt all 22 million Iraqis. From 1968 until the late 1980s, his Ba'ath Party gave government a large role in the economy and relegated the private sector largely to minor industries, crafts and petty trade.

## PEORIA: Crisis? Get Serious, People Say

Continued from Page 1

racy jokes in this river town in central Illinois. Even in this heavily Republican enclave, people say the biggest White House crisis since Watergate is viewed as entertaining, but not terribly consequential to daily life.

"What it comes down to, I think, is that Peoria is a hell of a lot more like the rest of the country than Washington is," Mr. Baumer said.

Random conversations demonstrate that what matters in Peoria are more down-to-earth concerns. Labor negotiations with the big employer in town, Caterpillar, are scheduled to resume next week. Some Peoria residents are preoccupied with that. Others are looking forward to the annual statewide convention for high school music teachers and students taking place here. Planting season — corns and beans mostly — which begins in March, is also on the minds of many.

Quite a few people here say they are angrier and more disappointed with the mass media than they have ever been with Mr. Clinton. "I turn off the television every chance I get because I just don't want to see this stuff anymore," said Jim Hafele, an attorney who voted for Mr. Clinton in 1992, but switched to Ross Perot in 1996.

Cathy Ryan, a bartender at the Pere Marquette hotel, said that the scandal had seemed to be on everyone's mind when the revelations first surfaced nearly two weeks ago.

"But I think pretty much everyone here is done with it now," she said. "We're just waiting for them to be done with it in Washington at this point."

Whether the White House's deployment of Hillary Rodham Clinton, Paul Begala, James Carville and other Clinton aides to defend the president has been an effective strategy is not an issue in Peoria. Whether the speaker of the House, Newt Gingrich of Georgia, or other Republicans should deliver more partisan blows to derail Mr. Clinton's presidency is of little consequence here.

"Does anybody do any real work there?" asked Mr. Sanders, a manager at one of a half-dozen Caterpillar plants in the area.

"This is kind of like Chappaquiddick to us," he said, referring to the 1969 accident involving Senator Edward Kennedy of Massachusetts, in which he drove off a bridge and a female aide who was with him drowned. "It's sad for the

## CLINTON: Pressure Appears to Ease, Despite New Allegations

Continued from Page 1

pected Mr. Starr's actions to lead the Congress to reconsider the workings of the office of independent council.

"I think we've got to look at the special prosecutor law and make changes in it," he said.

Mr. Starr spoke briefly to reporters Saturday, saying only that he was "moving forward trying to gather the facts."

Although the story has taken many shifts since it erupted Jan. 21, the immediate pressure on Mr. Clinton appeared substantially less at the end of the week than it had at the beginning, when Ms. Lewinsky was expected to appear before a grand jury newly authorized to hear the allegations against Mr. Clinton.

Mr. Ginsburg voiced his own confidence that the clamor over the story, which brought talk of possible impeachment in its first days, would die down.

"I think the president will survive; I think the country will be fine," he said on Fox-TV.

In other developments: Mr. Ginsburg conceded on ABC-TV that Ms. Lewinsky sometimes exaggerates, though at the same time he called her "totally reliable." He said, "There are people who talk a lot and as part of the scenario, peccadilloes, they may tell fibs, lies, exaggerations, oversell."

He said on ABC that there had been telephone calls between Mr. Clinton and Ms. Lewinsky, but that they had been rare and had no sexual content. Mr. Ginsburg said he was unaware of any tapes of conversations between Ms. Lewinsky and Mr. Clinton. He also said he was not aware of any Secret Service agent ever bawling witnessed intimate acts between the two.

Mr. Ginsburg denied that, with his talks with Mr. Starr, he was now seeking collaboration with White House

lawyers. But he said that if Mr. Clinton's lawyers filed a motion to dismiss the grand jury investigation, "We would certainly look at that motion, and assess whether or not we wanted to join it," he said.

The New York Times reported that despite an intensive search lasting three years, lawyers for Mrs. Jones still have not been able to find any credible new witnesses willing to testify under oath that they had had a sexual relationship with Mr. Clinton. It quoted witnesses and lawyers involved in the Jones case.

The Times said that although private investigators had crosschecked the country interviewing women linked by rumor to the president, at least five of the women had denied the rumors to pretrial depositions.

The first lady, meanwhile, was in Davos, Switzerland, for the annual economic forum, as were Thomas McLarty, a presidential aide, and Mr. Jordan.



## EDITORIALS/OPINION

## Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Unite Against Saddam

By rights, France, Russia, China, Turkey and other more or less reluctant partners of the United States in thwarting Iraq's chemical and biological weapons ambitions can no more want to see weapons of mass destruction unholstered in the unsettled Gulf region than does the United States.

On the national security merits, they have every reason to be at the American side. Yet of those who have stalled, only France has recovered good sense as the Iraq crisis worsens — and it only in part.

Secretary of State Madeleine Albright was able to draw her French counterpart from a position excluding the use of force — that is, from a position practically inviting Saddam Hussein to go chemical and biological — to a position leaving the use of force as an option if diplomacy fails. An option for others: France, in a weakening decision, apparently will not take part in any fighting itself.

It is suggested that the French and, separately, the Russians have been supplying a diplomatic alternative while the Americans show an ever stronger military readiness in order to make the diplomacy work. Announcing that the United States is informing its allies that it is moving toward force alone if necessary, not soliciting the approval of its allies, is part of this readiness; another part is pushing Paris and Moscow to deliver a real solution to the inspection imperative. What is going on is a version of the good cop, bad cop routine.

The last time the Russians and French were out, however, when Saddam Hussein was challenging the United Nations inspection regime in November, he made fools of them. Having promised them to let the Americans back into the inspector corps,

Saddam Hussein was soon making an even more radical challenge of the whole UN inspector system.

France has shown some recognition of its humiliation. Russia seems to be continuing its self-indulgent campaign to appease Saddam Hussein and to win back in Iraq a semblance of the former Soviet Union's broad diplomatic role.

The overall record must mute any current hopes for the potential use of force as an unavoidable last resort.

The Russians and even the French remain skeptical of a military solution, especially of one confined to attacks from the air. Who is not skeptical? The deadly stuff is too easy to hide, and Saddam Hussein will win some sympathy for the intervention and for Iraq's casualties.

But, as Russia and France should know better than anyone, Saddam Hussein has a fundamental contempt for diplomacy. For him it is useful only as a ruse.

Force applied deliberately from the air, if it cannot assuredly topple the Iraqi dictator, can at the least destroy some of his military facilities and put his regime under heavy oedipal stresses. These are no mean achievements.

A special situation exists in Iraq. The gravity of letting a proven and unrepentant aggressor defy international strictures and wield frightening weapons that threaten opposing armies and civilian populations alike can scarcely be exaggerated.

This specter is what makes it necessary for law-respecting nations to unite to the extent possible and proceed against Saddam Hussein.

—THE WASHINGTON POST.

## The Law Must Prevail

The United States has arrived at one of those peculiar moments when what is good for the immediate political interests of a sitting president is harmful to the political culture of the nation. We have seen the same split go a much more momentous level with Lyndon Johnson and the Vietnam War, and a few years later with Richard Nixon and Watergate.

The defining crisis of this president seems frail in comparison, because of its tawdriness. But on the level of political morality and public disengagement and the president's presumed duty to embody the rule of law in a society founded on the sanctity of law, there are similarities.

Once again, Americans are being invited to suspend judgment about the personality and character of a president in the interest of stability, prosperity and orderly succession.

Based on the polls' latest snapshot of public opinion, a heavy majority of Americans have reached a provisional decision to muddle through with a leader they do not believe rather than go through the trauma of resignation or removal. It may be a wise choice, but it is an ineffably saddening one. To face it afflicts the national psyche because Americans place such a high value on admiration of the president.

Aside from people with White House ties, there are few public figures — and few Democrats in Congress — willing to argue spontaneously for President Bill Clinton. The dilemma of the nation's feminist organizations reflects that of the electorate at large. Because Mr. Clinton is an effective advocate of their legislative needs, the women's groups are willing to put some of their other values into hibernation for a few years.

This emerging consensus for an arranged, co-illusions stability based on the realpolitik pragmatism of consenting adults could be shattered by sexual revelations that repel Middle America or by definitive evidence that Mr. Clinton violated the law. But for the moment, it is the foundation of Hillary Clinton's humbly effective spin operation.

Her lumping of all presidential critics into a right-wing conspiracy is, of course, demagogic, even allowing for book-packagers and other unwholesome hangers-on around Monica Lewinsky. Linda Tripp and Paula Jones. The historic arc of this presidency has been of people starting out as supporters on issues like health care and free trade and then gradually becoming disenchanted.

It is not entitlement in a cabal that

turns them but rather revulsion at one of those serial embarrassments having to do with fugitive contributors or the bartering of White House invitations or financial windfalls for disgraced courtiers or, in this case, allegations of mysteriously unrepentant associations.

Like Tom and Daisy Buchanan in "The Great Gatsby," the Clintons sometimes operate with a "vast carelessness" that leaves wreckage behind. Since 1992, their political organization has had an announced policy of dismantling the reputation of any woman linked to the president. Most of these women, like Ms. Lewinsky, have vulnerabilities that make them fairly easy to undermine.

That, in turn, sets up the next wave of defense, which is to no-comment even the most compromising disclosures and to defame any questioner as a tool of the fictional conspiracy.

On Thursday, this approach created the odd spectacle of a president sending out the first lady to announce those areas of his Oval Office stewardship about which he may be asked and those which are out of bounds. Mike McCurry conceded that "ultimately people want to hear from the president on this," but Mr. Clinton's lawyers have buried the political advisers who wanted the president to talk.

A muzzled president is an embarrassment for any White House, but Clinton advisers are betting that Kenneth Starr will fill the silence by blowing himself up. Because he does come with political baggage, Mr. Starr is at his testing time. He has moved slowly and expensively, but events could vindicate the earlier part of his inquiry.

Where he has no latitude and little remaining time is on the question of whether he can build a valid case around Ms. Lewinsky. Just as the nation needs a president who can give fuller answers, it needs for Mr. Starr to decide the threshold questions about Ms. Lewinsky's credibility and immunity status and get to the next step in his case, if he has one.

For the time being, there is no question about Mr. Starr's legal mandate. It was signed by Attorney General Janet Reno, whose credentials as the president's legal protector are beyond question.

But this is a case where the public needs to see the legal process moving toward resolution. After all, in times devoid of heroes, the law is what the republic is meant to cling to. It must move toward truths that seem unobtainable from other quarters.

—THE NEW YORK TIMES.

## The Only Option May Be Bombs and More Bombs

By Thomas L. Friedman

ZURICH — Washington faces a Hamlet-esque choice: 2-h or oot 2-h, that is the question. Does the Clinton administration have an option 2-h? Everything hinges on that.

The administration has three basic options in dealing with Iraq.

Option 1 is to finish the 1991 Gulf War, which stopped short of removing Saddam Hussein. In this option, the United States would invade Iraq, occupy Baghdad, unseat Saddam, establish a new Iraqi regime and rid Iraq of all its weapons of mass destruction and the equipment for rebuilding them. This is the most sure-fire way to eliminate the threat posed by Saddam to his neighbors and his own people.

Option 2 is also the most costly way. America would have few allies for an invasion, although the Iraqi people would probably hail it as a liberation. For now, there is no support in the administration or Congress.

Option 3 is to acknowledge that neither the United States nor its allies have the stomach for any occupation of Iraq, but also acknowledge that the UN weapons monitoring regime in Iraq now has gaping holes in it.

With all of the palaces and special sizes being unilaterally declared off limits to the United Nations by Saddam, no one can be sure anymore that UN inspectors are preventing Iraq from building weapons of mass destruction and the missiles to deliver them.

Therefore, option 3 is: When you've got lemons, make lemonade. Approach Russia and France and tell them that the United States is ready to lift all economic sanctions on Iraq immediately if the two of them can persuade Saddam to accept a total, and permanent, weapons inspection regime.

And if that does not work, then simply lift the economic sanctions on Iraq anyway (they are only hurting the Iraqi people, so the argument goes), accept that the UN weapons monitoring regime is over, and deal with Saddam henceforth through conventional deterrence. That is, make clear to him that any use of weapons of mass destruction would result in Iraq being vaporized.

Deterrence managed to keep the Soviet Union at bay for 45 years of Cold

War, and Moscow had 30,000 nukes. The risk is that a rearmament Saddam, who managed to make the world hink, would be a highly destabilizing force in the region, even if he was deterred from using his worst weapons.

In any event, it seems that America does not have the military will for option 1 and does not have the political will for option 3 — which would require a huge climb-down from all of the administration's rhetoric that Saddam must go before sanctions are lifted.

So we are left with option 2 — bombing Iraq in order to knock out as much of Saddam's weapons-making capability as possible.

The problem is that, if he survives, he will respond by ordering the UN weapons inspectors permanently out of Iraq, and Russia and the Arabs could announce that since America has unilaterally bombed Iraq, outside the UN consensus, they will unilaterally reopen their economic ties with Baghdad.

It would just be a matter of time then before Saddam would be back building new weapons — only without the nifty UN inspectors around, and with fresh money pouring in.

Then what does the United States do? Does it have any way to ensure that after a massive bombing of Iraq it can maintain its strategic objective of preventing Saddam from acquiring weapons of mass destruction — without having to bomb him again and again, which would have serious diplomatic risks for U.S. diplomacy in the Middle East and at the United Nations?

Some U.S. officials talk about making all of Iraq a no-fly zone as option 2-h. That might hurt Saddam. But what if France and Russia don't play along?

I don't believe there is an option 2-b. There is only option 2 — bombing Iraq, over and over and over again, until either Saddam says uncle, and agrees to let the United Nations back in on U.S. terms, or the Iraqi people eliminate him.

So, 2-b or not 2-b? There is no question. There is no 2-b. There is only option 2, over and over and over again until Saddam relents. Given the problems with the other options, America may have no choice but to go down this road. Once it does, however, it better have the stomach to stay the course.

The New York Times.

## It's Time for Albright to Take Over American Foreign Policy

By Jim Hoagland

WASHINGTON — For the second time in a quarter-century, U.S. leadership in world affairs risks being undermined by domestic political furor. But legal vulnerability for a president need not cause demoralizing American weakness in foreign policy.

This in fact is the moment for Big Diplomacy — for a focused and concerted effort to tie together the major strands of U.S. foreign policy into a more cohesive whole.

A combination of circumstance and her own outgoing, highly visible persona make Secretary of State Madeleine Albright the key figure in Bill Clinton's cabinet. She has a golden opportunity to put her stamp on U.S. foreign policy.

That wish was a guiding star as she went about assembling a highly respected and energetic team on the State Department's seventh floor. But until now her role has been to articulate and explain policy more than to run or originate it.

The debilitating domestic political struggle that America

now faces changes the equation. President Clinton has demonstrated that he will fight as hard and as long as he must to stay in office. His attention and energy will flow away from a foreign policy arena that never deeply engaged him anyway. He is now likely to need the foreign affairs surrogate he has always spurned.

In his first term, he resisted turning over full authority for foreign policy to any other single figure. His cabinet-level choices in this area showed that he did not want a Henry Kissinger, a figure whose own prominence and political skills could force his hand. (Bosnia, a perceived basket case, was a partial exception.)

Mr. Clinton chose Mrs. Albright partly as a matter of history, to name the first woman secretary of state. He was also coosmously impressed, with her clear, punchy explanations of U.S. policy in television interviews. His comfort level with her as someone who

would not spring great innovations on him or dissent publicly if her advice was not heeded was said to be high.

But with his predicament threatening to create a vacuum at the top, and several major foreign problems coming to a head, quiet teamwork and interagency consultation are not likely to still doubts about U.S. engagement and purpose. The opportunity — and need — for a larger, even dominant role for the State Department on foreign policy is now there for Mrs. Albright to seize.

Administration insiders and some diplomats in Washington concluded in recent weeks that she was determined to erase the image of stumbling ineffectiveness that the November diplomacy over Iraq created.

A key example: As the Asia monetary crisis unfolded, senior State Department officials became concerned that the Treasury Department was making decisions and pronouncements about Asia with

minimal input from, or credit to, State and the Pentagon.

An early Treasury decision to help Thailand left a long-time U.S. ally stunned and resentful. Foggy Bottom was left to pick up the pieces. Similarly, Treasury called the shots on the rapidly moving crises in Indonesia and South Korea and informed State after the fact — until Mrs. Albright dealt herself into the picture.

One of the clearest signs of departmental friction is often the sudden issuing of public assurances that two departments have never worked more closely. At an unusual meeting with four Washington columnists on Jan. 23, Mrs. Albright and Treasury Secretary Robert Rubin appeared jointly to emphasize how smoothly and intensely their fiefdoms had handled Asia.

Mrs. Albright went first and spoke forcefully. Mr. Rubin calmly reiterated points he had already made publicly. But what happened next underlined the new importance to Mr. Clinton of Mrs. Albright.

She and Mr. Rubin left to take part in a cabinet meeting. Mrs. Albright then led a cabinet team that came out to vigorously defend Mr. Clinton's reputation. Mr. Rubin, who has been the dominant figure in the cabinet and enjoyed the unfettered authority in financial matters that Mr. Clinton has not delegated on foreign affairs, had more pressing business elsewhere. He did not appear before the cameras.

A rival once described Mrs. Albright as "bulletproof" in her job, in part because of her role as the first woman secretary of state. That seems an understatement today. Equally important, she has been hiding her time, looking for the right moment to turn her views on Iraq, Iran, Europe and Russia into viable policies.

An enhanced role for her will work only if Mr. Clinton is prepared at last to support fully a strong secretary of state. The demands of history and his own problems may give him little choice.

The Washington Post.

## In China, a Call for Democracy From Inside the Party

By Wei Jingsheng and Liu Qing

NEW YORK — The Washington Post carried a report (1/17 Jan. 12) about a document being distributed in China by Fang Jue, a businessman and former middle-level government official.

"China Needs a New Transformation — Program Proposals of the Democratic Faction" is the document's title.

It carries only Mr. Fang's signature, but Chinese-language newspapers in Hong Kong and Taiwan have recognized its political importance and published it in its entirety.

We were among the first people outside China to have access to this groundbreaking policy statement, and we have knowledge of the circumstances in which it was produced and released.

We are convinced of its significance and urge the interna-

tional community to pay close attention to this major political signal and what it represents.

Fang Jue is a former vice director of the planning commission in Fuzhou. He insists (and we believe) that this policy statement does not come from him alone but represents the thinking of a larger group of mid- and higher-level government officials. The document is clearly the mature product of a long period of collective effort.

Mr. Fang says it reflects the political views of a new generation of government officials in their 40s and 50s, views that differ dramatically from those held by the Communist Party veterans in their 70s and 80s who hold key leadership positions.

To understand the deeper reality of Chinese politics, one must look beyond those in senior government and party posts and pay attention to the young and middle-age generation of officials who are dissatisfied with the status quo.

We regard this document as a direct challenge to conservative forces in the party leadership. According to Mr. Fang and others, the statement has already been distributed to members of the party Central Committee. It will be hard for the members to ignore. Never before in China has a document advocating democratic reform come from within the ranks of the Communist Party.

In the past, calls for political reform have arisen only from dissidents and grassroots move-

ments. Members of the government bureaucracy have always remained silent, unable to voice opinions freely without the risk of serious reprisals.

It has been easy to disregard the protests of individual dissidents, but it will be impossible for the government to overlook the significance of democratic forces rising within the party structure.

After all, democratic factions within the government played a crucial role in initiating the transition from dictatorship to democracy in the former Soviet Union and Eastern Europe.

Unprecedented in its positions on democratic rule, this policy statement is also astonishingly pragmatic and comprehensive on key issues such as freedom of expression and association, religious tolerance and electoral autonomy for Tibet and Taiwan. The long-term political vision it articulates on domestic and foreign policy issues easily eclipses that of the current party leadership in scope and practicality.

While many of the positions taken are basically in accord with what we in the pro-democracy movement have been advocating for decades, the tone and style mark the document as the product of individuals trained and experienced in formulating government policy.

The timing of the document's release is also important. Since the death of Deng Xiaoping last February, no one with the political authority of a Deng or Mao Zedong has arisen. Yet economic and political pressures, both internal and external, demand a political vision capable of transforming China into a nation able to face what are sure to be rough times in the future.

The forces behind this document clearly feel that the time is right to test the waters for the possibility of gaining domestic and international support for their democratization program.

The fact that only Fang Jue was willing to put his name on this policy statement attests to the sad reality that Chinese society is still a long way from the point where political opinions can be expressed freely.

China is an enormous country, and achieving democracy there is an enormous task. Only when grassroots forces for change at all levels of society are allowed to cooperate openly with democratic forces inside the government will democratization occur swiftly and peacefully.

Mr. Wei and Mr. Liu spent 18 and 11 years, respectively, in prison in China for their activities in the 1978-1979 Democracy Wall Movement. Mr. Wei, released in November and sent into exile in the United States, is a visiting scholar at the Center for the Study of Human Rights at Columbia University. Mr. Liu is chairman of the New York-based organization Human Rights in China. They contributed this to The Washington Post.

## What About News Judgment?

By James M. Naughton

ST. PETERSBURG, Florida — When an earlier president's conduct was mesmerizing America, we reporters sometimes got into pitched debate with our editors about how far our articles could go in fixing blame for Watergate on Richard Nixon. The editors kept insisting that it was inappropriate for the press to predict an indictment that would in due time be framed by facts. As, indeed, it was.

Where is journalistic restraint now? Almost from the first instant that we have been served the Monica Lewinsky story, restraint has been the missing ingredient. First-day accounts — first day! — included speculation about whether Bill Clinton would be impeached for perjury.

No one has been charged with any crime in this case. Perjury is hard to prove. Even if it were proved, it might not be found in these circumstances to constitute high crimes and misdemeanors.

The investigation of Mr. President Clinton's conduct may determine that he had an affair and tried to cover it up criminally. The investigation is not close to having proved so. And it surely had not been made the case before television anchors and pundits and news editors began hyper-ventilating about a "crisis in the White House."

What is desperately needed these days is news judgment. Making sound judgments is a responsibility of every journalist at every level in broadcast, print or new media.

We constantly exercise news judgment in choosing what to report, whom to interview, whom to trust, how to illustrate, what to amplify, what to omit, how to make the story interesting, when to quote or paraphrase, when and where (or whether) to run the article, what the headline should be, when to follow up and how to correct inevitable errors.

The problem nowadays is that we are expected to make the right calls on the spot. We used to spend some of our time before deadline working to double- or triple-check information, to verify, to research context, to scour complementary and contradictory data, to think and then to craft an accurate and coherent account. Many journalists now spend valuable time scanning the Web and surfing cable channels to be sure they are not late in disclosing what someone else just reported, breathlessly, using sources whose identity we shall never know.

The deliberative news process is being sucked into a constant swirl of charge and counter-charge followed by rebuttal and re-rebuttal succeeded by spin and counter-spin.

A journalist today is apt to be wedding someone else's information into a story nanoseconds before airtime or press run, without the scrutiny it needs and absent the debate about tone and propriety that we Watergate geese would have with our editors.

The demand is too often for the new, not necessarily for news. We need to put a premium on news judgment. Sound judgment pays homage to speed but reveres accuracy.

News judgment can abet courage or invoke caution. News judgment is conscious and conscientious. It is authoritative but not judgmental. It relates the new to the known.

It must not go out of fashion. Muster courage to pursue your own story, one that can be verified. Tell the viewer or reader what we don't know, can't prove, didn't have time to figure out. Invent a way to caution readers against unsubstantiated reports.

News judgment is knowing when not to put the president's sex life on Page 1. News judgment is remembering that "drive-by" should describe the crime, not the coverage.

The writer, a former White House correspondent for The New York Times and executive editor of the Philadelphia Inquirer, is president of the Poynter Institute for Media Studies. He contributed this to The New York Times.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

## 1898: Fatal 'Rocher'

LONDON — The twin-screw steamer Channel Queen, which left Plymouth for Guernsey and Jersey, was wrecked about a mile north of the former island and forty-four lives are reported to have been lost. When the tide is low the surface of the sea is studded with hundreds of sharp jagged rocks. At high-water the majority of these pinnacles are hidden from view, and they are all the more dangerous to shipping. It is one of these rocks, the Rocher Noir, that brought the Channel Queen to grief.

## 1923: Bishops Jailed

NEW YORK — Two archbishops and eleven bishops have been imprisoned in Mexico for participation in an open-air service. Among those imprisoned are the Archbishops of Puebla and Guadalajara and the Bishops of Leon and Jalapa. According to

news received here, President Obregon declared the meeting was a violation of the Mexican law prohibiting outdoor religious ceremonies. The action has caused a sensation among Catholics throughout this country.

## 1948: Wright Dead

DAYTON, Ohio — Orville Wright, seventy-five, co-inventor of the airplane, died in his sleep. Orville Wright gave man wings and lived to marvel and regret the uses made of his invention. From the motorized box-kite contraption which he kept aloft twelve seconds at Kitty Hawk, N.C., on December 17, 1903, he saw evolve giant transports and bombers, in turn capable of bridging seas in hours or destroying centers of civilization. On his first successful flight, he traveled 120 feet, never more than ten feet above the ground. That brief flight was to affect history profoundly.

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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.  
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Internet address: <http://www.ihb.com> E-Mail: [ihb@ihb.com](mailto:ihb@ihb.com)  
Editor for Asia: Michael Richardson, 5 Convent Road, Singapore 119000. Tel: (65) 477-7768. Fax: (65) 274-2334  
Mng. Dir. Asia, Terry Danner, 50 Gloucester Rd., Hong Kong. Tel: 852-2922-1188. Fax: 852-2922-1190  
Gen. Mgr. Germany: T. Schiller, Friedrichstr. 15, 10117 Frankfurt. Tel: +49 69 712594. Fax: +49 69 7125920  
Pres. U.S.: Ann Blomhagen, 630 Third Ave., New York, N.Y. 10022. Tel: (212) 725-3890. Fax: (212) 725-4782  
U.K. Advertising Office: 63 Long Acre, London WC2E. Tel: (171) 836-4802. Fax: (171) 240-2254  
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# Small Is Beautiful for Taiwan as Its Companies Skirt Asian Crisis

By Thomas Crampton  
International Herald Tribune

TAIPEI — Chances are that you have sat in front of a computer screen built by Alex Wen but have never heard of the company he runs, Lite-On Technology Corp., or the thousands of other Taiwan-based manufacturers that supply the world with unbranded electronics parts. But you probably have heard the names of the South Korean conglomerates Samsung Group, Hyundai Group and Daewoo Corp.

That difference, top officials and executives in Taiwan say, helps explain why this island has proved more resilient than its chief export rival, South Korea, through Asia's economic turmoil. As countries around the region plunge into recession, Taiwan's economy continues to grow, with stocks and the currency suffering only a relatively modest drop

here since the beginning of the crisis. Figures released by the central bank Sunday showed a higher debt burden weighing on Taiwan's banks in the fourth quarter of 1997, along with an increase in their number of overdue loans, Agence France-Presse reported. The figures came a day after Moody's Investors Service Inc. lowered its outlook for Taiwan's banking sector because of the regional financial turmoil.

Total loans outstanding in Taiwan's banking sector in the fourth quarter stood at 11.14 trillion Taiwan dollars (\$327.65 billion), up from 7.86 trillion dollars a year earlier.

United Evening News quoted central bank officials as saying companies had begun borrowing more heavily from domestic banks because of tighter liquidity abroad owing to the regional crisis. Moody's revised its outlook for the banking sector to negative from stable

on the basis of the crisis and resulting pressures on the Taiwan dollar. The factors could affect the highly leveraged corporate sector in Taiwan, the U.S.-based rating concern said, ultimately undermining the quality of banks' assets.

But many executives here consider such fallout unlikely. Taiwan's comparative vigor, executives and officials say, reflects a contrast in government policies: one country that encouraged a multitude of small entrepreneurs and another that promoted an exclusive club of high-profile conglomerates.

Taipei has long nurtured small companies by offering low-interest loans for exports, tax breaks and training programs for management, marketing and accounting.

South Korea, instead, targeted specific major industries and fostered an elite set of massive conglomerates to modernize the country's economy rapidly.

Taiwan and South Korea built their economies in parallel over the last generation, selling similar products in the same markets. Steel, semiconductors and computer parts make up the majority of exports from both countries, most of which are sold in the United States and Europe. Combined, Taiwan and South Korea produce 84 percent of the world's computer monitors.

Since July, the South Korean won has fallen 73 percent against the dollar, while the Taiwan dollar has fallen 22 percent. Despite the effective price slashing of South Korean exports fostered by the won's plunge, Taiwan officials are confident of continued economic growth, and executives worry more about rivals at home than South Korean competitors.

"We compete in many sectors with South Korea, but our economy is based on a completely different model of development," the governor of Taiwan's

central bank, Shou Yuan-Dong, said. "We strongly believe our model is better and more sustainable."

While 30 of South Korea's largest companies, known as *chaebol*, account for 16 percent of the country's gross domestic product, 95 percent of Taiwan's companies are small to medium-sized enterprises, many of them family-owned, and they account for half of the country's exports.

Lite-On Technology is the biggest maker of monitors in Taiwan, but Mr. Wen, its president, said he was more concerned about his 80 competitors in Taiwan than his five South Korean rivals, despite the devalued won.

"Taiwan companies have money to invest, and they will be expanding over the next few years," he said. "In South Korea they now have no money left and have spent so much money building famous brand names."

All 3.3 million monitors that Lite-On produced last year were sold with another company's name on the front.

"Nobody has heard of Lite-On, and we do not plan to change that," Mr. Wen said. "It is too difficult to build a brand."

Beyond making it difficult to distinguish themselves with a brand name, the smaller scale of businesses here affects labor relations, the way money is borrowed, how products are sold and reaction to changes in the market, Finance Minister Paul Chiu said.

Mr. Shou said: "The Koreans have followed the Japanese model of trying to use big companies to build up a dominant market share."

Because Taiwan businesses tend to be smaller, they concentrate on making profits instead of building market share, he said. With less leverage to get loans, he added, they spend conservatively.

## Backroom Squabbles Tarnish Euro's Image Politics Could Weaken Currency, Officials Say

By Alan Friedman  
and Jonathan Gage  
International Herald Tribune

DAVOS, Switzerland — Fears are growing that deepening squabbles, such as the one over who will run the future European central bank, risk politicizing the future decision-making process in the euro zone and could undermine market confidence after the single currency is launched, senior European officials said over the weekend.

Adding to the tension, Finance Minister Philippe Maystadt of Belgium astonished many colleagues here by saying he was worried about a period of volatility for the euro in currency markets.

"During the transition period after the euro is launched in January 1999, I think investors and portfolio managers will be confronted with a high degree of uncertainty," Mr. Maystadt said in an interview. "In the first years of the euro, we could see more instability, and this could have an impact on the exchange rate between the dollar and the euro. I expect in the beginning more volatility."

Mr. Maystadt called for "improved cooperation at the Group of Seven level," saying that "it is necessary we should be prepared to intervene to avoid excessive volatility."

The squabble over the central bank is not expected to prevent the overall project from going ahead, but several European officials attending the annual meeting of the World Economic Forum here said they were worried that Europe's single-currency policies were

getting increasingly nasty.

Both the European Commission president, Jacques Santer, and Sir Leon Brittan, the European Union's trade commissioner, called over the weekend for a speedy resolution of the dispute over the leadership of the planned central bank. Sir Leon said the controversy should be resolved in a way that avoided "shabby or shoddy political compromises."

The battle for the presidency of the central bank, the institution that will be called on to set interest rates for as many as 11 countries starting next January, broke out last year when President Jacques Chirac of France surprised his European partners by nominating Jean-Claude Trichet, governor of the Bank of France, for the job. Until then, the consensus candidate had been the former central bank chief of the Netherlands, Wim Duisenberg.

"I don't know how the central-bank question will be resolved," said one finance minister who spoke on condition of anonymity, "but the situation is not good for the image of a unified Europe."

The view of several central bankers, finance ministers and other senior European officials, who also spoke on condition they not be named, was that, contrary to recent reports, it was proving difficult to fashion a deal that would satisfy France.

Mr. Chirac, by pushing the candidacy of Mr. Trichet, has infuriated Germany, the Netherlands and other countries that are backing Mr. Duisenberg.

Many Euro-watchers have assumed that the eight-year term will simply be split between Mr. Duisenberg and Mr.



Finance Minister Theo Waigel of Germany: praise for Spain's budget efforts.

Trichet, both of whom are respected followers of the conservative anti-inflation doctrine of the Bundesbank, Germany's central bank. But Mr. Duisenberg has let it be known that he will not be pushed into accepting a reduced term under duress.

Dominique Strauss-Kahn, France's finance minister, speaking to reporters here, would not deny that behind-the-scenes negotiations were taking place. But he said, "Our position is that we have a candidate for the job and that the post should not be shared."

France has also upped the ante by pushing for the presidency of another key institution — the Looon-based

European Bank for Reconstruction and Development.

"Neither the French nor the Dutch want to lose face," a European diplomat said Sunday, "and the smaller countries are not very happy at the prospect of yet another deal being done over their heads by Bonn and Paris."

When asked directly whether a

## EU Proposes New Talks With U.S. on Tariff Cuts

By Alan Friedman  
and Jonathan Gage  
International Herald Tribune

DAVOS, Switzerland — The European Union has asked the United States to join in a new trans-Atlantic trade negotiation aimed at reducing tariffs across a range of industrial and service sectors, officials from both sides of the Atlantic have disclosed here.

The initiative, although still at a preliminary stage, was proposed by Sir Leon Brittan, the European trade commissioner, during informal meetings here with U.S. officials attending the annual meeting of the World Economic Forum.

Sir Leon declined Sunday to discuss the proposal, but a U.S. official confirmed that its terms built in part upon the terms of the existing dialogue on trade between executives in the United States and Europe.

"We have some specific ideas that have been given by the European Union, and they are aimed at broadening our trade relationship," said a U.S. official who spoke on condition of anonymity.

"We think the ideas are interesting enough to explore them," the official said.

The U.S. trade representative, Charlene Barshefsky, is expected to help coordinate an interagency group in Washington that will examine the European trade proposal over the next few

days, the U.S. official said.

A formal U.S. response to the EU initiative is expected in the next two weeks. If it is positive, Sir Leon would then make a formal presentation to the trade ministers of the 15 EU members.

■ **WTO Sees Role for China**

The director-general of the World Trade Organization, Renato Ruggiero, said China's entry into the global trade body would help ease the Asian financial crisis, Agence France-Presse reported.

Mr. Ruggiero, who met in Davos with Deputy Prime Minister Li Langqing of China, urged Beijing to do more to open up its services sector in order to speed its accession to the trade group.

"We discussed the will that there is to have an early conclusion of the negotiations," Mr. Ruggiero said, referring to talks on Beijing's membership bid, "because at the end, the entry of China into the rules of the international trading system will be part of the solution of the Asian crisis."

Mr. Li said he hoped China could join the trade body "as soon as possible."

"But it depends on the negotiations," Mr. Li said. He did not elaborate.

Long Yongtu, China's chief negotiator on WTO membership, said Mr. Ruggiero had particularly emphasized the opening of China's telecommunications and financial-services markets.

## Indonesia Slaps New Curbs on Banks

JAKARTA — Indonesia imposed new controls on banks Sunday, putting ceilings on foreign exchange deposits and liabilities and ordering the institutions to conduct full reviews of their positions.

A government guarantee on bank debts would come into effect only after bank owners and holders of subordinated debt had paid out what they could, it was announced.

Meanwhile, President Suharto said he would make all-out efforts to restore trust in the financial sector, a Japanese financial daily reported Sunday.

Mr. Suharto said in an interview with the Nihon Keizai Shimbun that he would introduce reform plans in line with the International Monetary Fund's aid package for the country.

The central bank, Bank Indonesia,

and the Indonesian Bank Restructuring Agency, which was established last week to supervise banking reform, also demanded that "bank managers behave responsibly, keeping in mind the interests of the country."

"Bank Indonesia and IBRA ask them to thoroughly review their assets and contingent liabilities and assess realistically all the losses they contain," the organizations said in a joint statement.

In order to avoid irregularities, Bank Indonesia is introducing ceilings on foreign exchange deposits, foreign exchange nontrade-related liabilities and foreign exchange trade-related liabilities, including letters of credit.

Limits on credit and interest rates were imposed last week. The agency was set up Tuesday when the government announced it would guarantee all bank deposits and debts.

"The first priority is to update the understanding of the condition of the banking sector, and to measure the impact on banks' balance sheets of the difficult macro-economic conditions that the country is currently facing," the statement added.

"The banks' losses would be absorbed initially by the banks' owners, then by holders of subordinated debt, before the agency paid out under the guarantee plan."

The agency has the power to order shaky institutions to undertake a rehabilitation program. If they still fail to recover their health, it can take control of the banks and order their mergers.

The measures would apply equally to locally incorporated, state-owned, regional development, joint venture and private banks, it added. (APR, Reuters)

### CYBERSCAPE

## Chrysler Revs Up for On-Line Boom

NEW ORLEANS — Robert Eaton, chairman of Chrysler Corp., has urged U.S. auto dealers to make life easier for people wanting to buy cars by not resisting new technologies such as the Internet.

While automotive Internet companies competed for media attention on the first day of the National Automobile Dealers Association's annual meeting, Mr. Eaton said in a speech that customers were armed with more information than ever before, putting them in control of the retail system for the first time in history.

"The whole retail process, which has always had lots of murky, hidden areas, is going to become totally transparent," Mr. Eaton said.

"The customer is going to grab control of the process, and we're all going to salute smartly and do exactly what the customer tells us, if we want to stay in business."

Industry officials estimate that about 20 percent of new-car buyers now use the Internet for some part of their purchase or research. That could hit 30 percent in two years, according to Mr. Eaton.

Chrysler, the No. 3 U.S. automaker, plans by the third quarter of this year to have all its U.S. dealers linked to a special Internet site that allows customers to select a vehicle on-line and receive a quote from a dealer near them.

Although the 80-year-old vehicle distribution industry is in the middle of sweeping changes, Mr. Eaton said the traditional franchise system would remain the basis for how new cars and trucks are sold.

"Customers need the infrastructure," he said. "You can't stuff a new car, or trade for that matter, through a fiber-optics cable."

For that reason, and because of existing state franchise laws, Mr. Eaton said he did not see manufacturers such

## CURRENCY RATES

Currency	Per \$	Per 100	Per 1000
Australian dollar	1.345	134.5	1345
British pound	1.652	165.2	1652
Canadian dollar	0.718	71.8	718
French franc	6.55	655	6550
German mark	1.936	193.6	1936
Italian lira	2036	203600	2036000
Japanese yen	161	16100	161000
South Korean won	200	20000	200000
Singapore dollar	1.36	136	1360
Swiss franc	1.48	148	1480
Taiwan dollar	24.6	2460	24600
Thai baht	55	5500	55000
U.S. dollar	100	10000	100000

## GM Close to Rebuying Stake in Daewoo Motor

By Don Kirk  
International Herald Tribune

SEOUL — General Motors Corp. is nearing a deal with Daewoo Motor Co. that would reunite the two motor-vehicle manufacturers six years after they ended a 14-year alliance in acrimony, industry sources said Sunday.

If the two companies come to terms, it would be the largest foreign investment in South Korea since the extent of the country's economic crisis became clear in November. Such a deal would fit with International Monetary Fund recommendations for opening South Korea to foreign investment, including mergers and acquisitions.

Despite a rise in both the Seoul stock market and the won last week after international creditor banks agreed to extend the repayment period for \$24 billion owed by South Korean banks, local companies here still have enormous debts. The question they face is how to get the cash to maintain the production required to sustain economic growth and still pay \$92 billion in short-term foreign debt as well as more than \$200 billion in domestic debt.

Daewoo bought out GM's 50 percent equity in the company in 1992 amid disagreement over the dream of Daewoo Group's chairman, Kim Woo Choong, who sought to turn the automaker into one of the world's top 10 motor-vehicle manufacturers.

### REPUBLIC OF LEBANON

## MINISTRY OF HYDRAULIC AND ELECTRIC RESOURCES

### COUNCIL FOR DEVELOPMENT AND RECONSTRUCTION

#### NABATIYE WATER SUPPLY AND WASTEWATER PROJECT

##### Invitation for Bids

The Government of Lebanon has received a loan from the International Bank for Reconstruction and Development (IBRD) in the amount of Y 6 billion (US\$ 53.1 million equivalent) toward the cost of the Coastal Pollution Control and Water Supply Project and it intends to apply part of the proceeds of this loan to payments under the contract for Nabatiye Water Supply and wastewater rehabilitation and Extension.

The Council for Development and Reconstruction (CDR) now invites sealed bids from eligible bidders for this contract, including civil works and the supply and installation of equipment. The major components are:

Water supply works include:

- Drill, case test, equip with shimmersible pumps and commission 6 boreholes, at depths up to 530 m.
- Rehabilitate one borehole.
- Install and commission chlorination equipment at 7 sites.
- Construct, equip and commission 1 new chlorination building.
- Construct, equip and commission 1 new booster pumping station.
- Procure, lay and test 84km new transmission pipelines, of various sizes from 80 mm to 450mm diameter.
- Rehabilitate 7.5km of existing transmission pipeline of various sizes from 150mm to 250mm diameter.
- Construct, of rehabilitate 41 No. concrete reservoirs or water towers of various sizes up to 500m3 capacity.
- Procure, lay or rehabilitate and test 67 km of distribution pipelines of sizes from 80mm to 350mm diameter.
- Construct, equip and commission 1 new administrative, stores and workshop building.
- Rehabilitation of Nabatiye Tasse Captage works.

Wastewater works include construction of 10.8 km of sewers and rising mains ranging in size from 150mm to 600 mm.

Bidding will be conducted through international competitive bidding procedures specified in the World Bank's Guidelines Procurements under IBRD Loans and IDA credits and is open to all bidders from eligible countries as defined in the guidelines.

Interested eligible bidders may obtain further information from CDR and inspect the bidding documents at the address given below from 09:00 to 12:00 hours (local time). Starting Monday 02 February 1998, a complete set of bidding documents in English may be purchased by interested bidders on the submission of a written application to the address below and upon payment of nonrefundable fee of US\$1000 in the form of a banker's certified check in the name of the Council for Development and Reconstruction.

Bids must be delivered to the address below on Monday 23 March 1998, not later than 12:00 noon (Beirut local time). All bids must be accompanied by a bid security of US\$50000 late bids will be rejected. Bids will be opened in the presence of bidder's representative who choose to attend the address below at the time and Date to be determined.

The Council for Development and Reconstruction - Talat El Serail - Beirut Central District - LEBANON - Tel (961-1) 643930 - 643981 - Fax (961-1) 861494 - 647947



## CAPITAL MARKETS ON MONDAY

## Europe's Export Credit Agencies Take a Cue From U.S. and Securitize Debt

By Carl Gewirtz  
International Herald Tribune

PARIS — Europe's export credit agencies, caught in a squeeze between a rising list of East Asian customers who cannot service their debts on time and a diminishing ability to increase lending limits, are turning to the international bond market to convert existing loans into the cash needed to make new loans.

Such collateralized borrowing operations are still infrequent here, by comparison with the huge market that has developed in the United States, and represent a major innovation for the state sector, as the prime users of this technique have been banks and finance companies.

The offerings are timed to fill investor appetite for high-yielding paper when yields on benchmark government paper are close to modern lows and appear

likely to continue falling. The most ambitious such operation is being prepared by Coface, a French agency, which intends to run into cash a portion of the annual interest it is scheduled to receive over the next 11 years on the 21 billion francs (\$3.42 billion) of Polish debt that was rescheduled in the early 1980s.

The Polish debt remains on the books of Coface. But special-purpose vehicles will be established to sell investors the cash flow on the debt and transfer to them the credit exposure to Poland.

Coface guarantees to service the debt even if Poland fails to pay, as long as Poland remains current on its publicly traded international debt. Eurobonds and Brady bonds — the rescheduled private bank debt that is now publicly traded — but if Poland defaults on this public debt, no payment will be made on the cash-flow notes.

The collateralized paper is therefore

expected to carry the same rating as existing Polish debt, the minimum investment grade of triple-B minus from Standard & Poor's Corp. and Baa3 from Moody's Investors Service Inc.

The notes will consist of at least \$400 million of eight-year paper and at least 1 billion French francs in 11-year bonds. The maximum size of an issue will not exceed the equivalent of \$1 billion or 6 billion francs. The yield is expected to be slightly higher than that of existing Polish Eurobonds. The dollar portion will be available for sale as a private placement with U.S. institutional investors, a reflection of the importance of the U.S. market for this kind of paper.

Although there was no legal requirement to do so, the French Finance Ministry said it had informed Poland of all the details of the transaction.

Sace, the Italian export agency, last week raised \$650 million using a spe-

cial-purpose vehicle known as Optimun Finance to transfer to private investors the payment risk on a portfolio of developing-country debt. The portfolio includes the debt of some 20 countries. Credit ratings range from triple-B down to B and are described by underwriters as "not just the best, but just the worst."

Backed by collateral exceeding the nominal amount of the new issue, \$535 million of it was rated triple-A. Of this, \$400 million with an average life of 18 months was priced to yield 30 basis points, or three-tenths of a percentage point, over the three-month London interbank offered rate. The rest, with an average life of four and a half years, was

priced at 40 basis points over Libor. A further \$55 million, rated double-A with an average life of six and a quarter years, was priced to yield 55 basis points over Libor, and \$60 million rated A with an average life of six and three-quarters years was priced at a spread of 75 basis points. Bankers said more such asset-backed issues could be expected.

## Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending Jan. 30. Prices supplied by Telekurs.

Risk Name Cpn Maturity Price Yield

## Argentine Peso

218 Argentina FRN 2.9% 04/01/01 98.388 3.0200

## Austrian Schilling

185 Austria 5 01/15/08 98.500 5.0800

250 Austria 5 04/11/07 104.000 5.5300

## Belgian Franc

229 Belgium 7 12/22/00 109.240 7.0900

## British Pound

49 Amington Fin zero 12/07/22 18.500 7.8200

116 Amington Fin zero 01/01/22 16.125 7.5800

131 Amington Fin zero 01/01/22 16.000 8.2600

140 World Bank 6.10 03/17/00 98.250 6.2100

184 Alta Valley FRN 7.47 11/04/99 99.250 7.4600

227 Fannie Mae 6 06/07/02 101.000 6.8100

## Canadian Dollar

173 Canada TdL zero 07/09/98 98.080 4.3900

## Danish Krone

14 Denmark 7 11/15/07 111.700 4.2700

15 Denmark 8 03/15/06 117.300 4.8200

21 Denmark 8 07/15/00 111.400 8.0700

26 Denmark 8 07/15/00 111.400 8.0700

43 Denmark 7 11/10/24 113.300 6.1800

64 Denmark 7 11/15/09 103.940 5.7700

74 Denmark 7 12/15/04 110.200 6.5500

83 Denmark 6 12/15/09 103.660 5.8200

86 Denmark 6 11/15/01 111.200 7.1900

91 Denmark 6 11/15/02 104.800 5.7200

98 Nykredit 7 10/01/29 99.200 7.6500

146 Nykredit 6 10/01/26 96.400 6.2200

148 Nykredit 7 10/01/29 99.200 7.6500

178 Nykredit 7 10/01/29 99.200 7.6500

198 Nykredit 7 02/15/00 99.700 4.0100

## Deutsche Mark

1 Germany 5 01/04/08 101.257 5.1800

2 Germany 6 01/04/07 106.560 4.2200

3 Germany 4 12/17/99 106.690 4.2200

5 Germany 6 01/04/07 106.420 5.4400

7 Germany 7 01/29/03 111.000 6.6200

7 Germany 7 01/29/03 111.000 6.6200

8 Germany 6 03/15/00 105.110 6.1800

9 Germany 5 01/04/28 98.250 5.6900

10 Germany 8 01/29/03 111.250 7.2100

11 Germany 6 04/20/01 106.350 5.5400

12 Germany 6 04/20/01 106.350 5.5400

13 Germany 6 04/20/01 106.350 5.5400

14 Germany 6 04/20/01 106.350 5.5400

15 Germany 6 04/20/01 106.350 5.5400

16 Germany 6 04/20/01 106.350 5.5400

17 Germany 6 04/20/01 106.350 5.5400

18 Germany 6 04/20/01 106.350 5.5400

19 Germany 6 04/20/01 106.350 5.5400

20 Germany 6 04/20/01 106.350 5.5400

21 Germany 6 04/20/01 106.350 5.5400

22 Germany 6 04/20/01 106.350 5.5400

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24 Germany 6 04/20/01 106.350 5.5400

25 Germany 6 04/20/01 106.350 5.5400

26 Germany 6 04/20/01 106.350 5.5400

27 Germany 6 04/20/01 106.350 5.5400

28 Germany 6 04/20/01 106.350 5.5400

29 Germany 6 04/20/01 106.350 5.5400

30 Germany 6 04/20/01 106.350 5.5400

31 Germany 6 04/20/01 106.350 5.5400

32 Germany 6 04/20/01 106.350 5.5400

33 Germany 6 04/20/01 106.350 5.5400

34 Germany 6 04/20/01 106.350 5.5400

35 Germany 6 04/20/01 106.350 5.5400

36 Germany 6 04/20/01 106.350 5.5400

37 Germany 6 04/20/01 106.350 5.5400

38 Germany 6 04/20/01 106.350 5.5400

39 Germany 6 04/20/01 106.350 5.5400

40 Germany 6 04/20/01 106.350 5.5400

41 Germany 6 04/20/01 106.350 5.5400

42 Germany 6 04/20/01 106.350 5.5400

43 Germany 6 04/20/01 106.350 5.5400

44 Germany 6 04/20/01 106.350 5.5400

45 Germany 6 04/20/01 106.350 5.5400

46 Germany 6 04/20/01 106.350 5.5400

47 Germany 6 04/20/01 106.350 5.5400

48 Germany 6 04/20/01 106.350 5.5400

49 Germany 6 04/20/01 106.350 5.5400

## Risk Name Cpn Maturity Price Yield

68 Germany 6 09/15/03 104.400 5.6400

70 Germany 3 12/18/98 99.850 3.5100

71 Germany 3 09/18/98 99.850 3.5100

72 Germany 7 01/13/00 105.630 6.6300

73 Germany 6 07/15/03 106.610 5.9600

74 Germany 9 07/15/03 107.819 7.2900

75 Germany 5 06/22/00 103.880 5.5400

76 Germany 7 11/25/99 105.202 6.6500

77 Germany 7 11/25/99 105.202 6.6500

78 Germany 5 05/21/01 102.170 4.8900

84 Treuhänder 6 11/15/03 106.390 5.6400

85 Treuhänder 6 06/09/99 102.550 6.1100

93 Treuhänder 7 01/23/00 106.997 6.8300

94 Germany 9 05/22/00 110.150 7.9400

100 Germany 7 11/11/04 114.920 7.5300

101 Germany 7 12/20/02 110.910 6.4200

104 Germany 6 04/22/03 109.623 6.1600

107 Germany 5 10/20/98 101.120 5.1900

108 Germany 6 04/20/99 102.250 6.1100

111 Germany TdLs zero 07/17/98 98.437 4.4400

112 Germany 7 12/18/98 99.850 3.5100

113 Treuhänder 6 12/18/98 99.850 3.5100

114 Germany 5 02/20/98 100.110 5.9900

115 Germany 5 02/22/99 101.670 5.2900

117 Germany 5 02/25/98 100.124 5.2600

123 Treuhänder 6 03/04/04 107.750 5.8000

124 Treuhänder 6 03/26/98 100.400 6.1000

125 Treuhänder 6 07/15/04 110.612 6.1000

129 Treuhänder 5 01/14/99 101.170 4.9400

141 Germany FRN 3.49 09/20/04 99.347 3.5200

155 Germany 8 08/21/00 110.367 7.3000

169 Germany 7 04/20/00 107.880 6.3200

172 Germany SP zero 07/04/27 107.880 6.3200

173 Germany SP zero 07/04/27 107.880 6.3200

176 Germany 5 08/20/98 101.160 5.8800

192 Germany 5 09/20/16 101.167 5.8800

193 Netherlands LB 5 01/20/18 99.860 4.1000

204 Land Berlin 5 02/28/00 101.400 5.4200

207 Allgem. Hyp 6 09/15/01 102.300 4.7700

212 World Bank 6 07/20/05 110.180 6.2400

221 Germany 6 08/14/98 101.438 6.2800

233 Treuhänder 5 09/24/98 101.230 5.5500

235 Treuhänder 6 07/25/98 100.980 6.0700

240 Treuhänder 6 07/25/99 103.900 6.9500

245 Germany 6 01/02/99 102.470 6.4300

## Dutch Guilder

31 Netherlands 5 07/15/08 101.500 5.1900

34 Netherlands 5 04/25/07 106.100 5.2100

42 Netherlands 9 01/15/01 112.800 7.9800

86 Netherlands 6 07/15/98 101.500 6.1800

89 Netherlands 3 09/15/02 104.800 5.4900

109 Netherlands SP zero 01/15/22 103.300 6.0100

109 Netherlands 7 04/15/05 120.650 6.2200

122 Netherlands 8 01/15/01 112.000 7.3900

129 Netherlands 7 06/15/01 110.600 6.3300

132 Netherlands 7 06/15/01 110.600 6.3300

133 Netherlands 8 01/15/00 108.100 7.4400

134 Netherlands 6 01/15/02 114.500 7.2000

145 Netherlands 6 01/15/01 106.700 6.2000

145 Netherlands 5 01/15/04 105.200 5.4700

149 Netherlands 7 03/15/01 116.500 6.6300

158 Netherlands 6 11/15/05 111.400 6.0600

160 Netherlands 7 01/15/22 125.500 5.9900

161 Netherlands 7 01/25/04 104.500 6.2000

180 Netherlands 7 01/15/00 101.500 6.4000

187 Netherlands 6 04/15/03 108.500 5.9900

196 Netherlands 9 03/15/00 110.500 8.1500

203 Netherlands 6 01/15/00 101.250 6.4000

216 Netherlands 7 04/15/99 104.700 7.1600

218 Netherlands 6 09/15/01 114.300 7.6600

226 Netherlands 8 02/15/02 113.700 7.2600

## Euro

87 France OAT 5 04/25/07 102.000 5.3900

119 France BTAN 4 07/12/02 99.420 4.5300

128 France 5 04/25/08 99.950 5.2500

142 France OAT 10 02/25/01 115.300 8.6300

143 France OAT 7 04/25/01 114.000 8.7000

153 France BTAN 6 02/15/01 104.400 5.2000

154 France OAT 9 04/25/00 107.000 8.2800

155 France OAT 10 02/25/01 115.300 8.6300

156 France OAT 7 04/25/01 114.000 8.7000

157 France OAT 6 03/15/02 113.800 7.4000

217 EIB 10 01/24/01 114.800 8.7100

222 British 9 02/21/01 112.500 8.0800

223 British 7 02/21/01 112.500 8.0800



# Asia's Crisis Could Bring a Dividend to U.S. Companies: Open Markets

By Nicholas D. Kristof  
New York Times Service

TOKYO — Picture Mom, Dad and the kids in an upper-middle-class Asian family in 10 years' time.

After loading up with cash at the corner Citibank, they drive off to Wal-Mart and fill the trunk of their Ford with the likes of Fritos and Snickers. On the way home, they stop at the American-owned Cineplex to catch the latest Disney movie, paying with their Visa card.

It may not happen exactly like that, but analysts say that one of the most far-reaching consequences of the Asian crisis will be a greatly expanded American business presence in Asia — particularly in markets such as banking that have historically been sensitive and often closed.

Market pressures — principally desperation for cash — and some arm-twisting by the United States and the International Monetary Fund mean that Western companies are gaining entry to previously closed Asian markets.

The timing, from the U.S. point of view, is perfect: Regulations are being eased just as Asian banks, securities firms, even airlines are coming on the market at bargain prices. As a result, while many U.S. companies are hurting now because of the turbulence in Asia, American banks and insurance companies and others could eventually emerge as beneficiaries of the crisis.

"Most of these countries are going to go through a deep and dark tunnel," said Jeffrey Garten, dean of the Yale School of Management and a former undersecretary of commerce. "But on the other end, there is going to be a significantly different Asia, and it will be an Asia in which American firms have achieved much deeper penetration, much greater access."

Still, it will take time for American companies to build their presence, and no one knows how they will do in unfamiliar markets. Moreover, even if they thrive, this may not do much for the American trade accounts or for American employment, for the goods sold in Asia will be mostly made in Asia, and virtually all of the bank and insurance company staff will be local as well.

One central question is whether an increasing presence will spark antagonism toward the United States and the way it is seen as pushing its commercial interests at the price of helping Asian economies. Washington insists that the main beneficiaries of open markets will be local residents — who will probably get new kinds of insurance

and banks that offer better service. But the changes may be seen as economic colonialism.

"All our stocks and companies are dirt-cheap," said Jusuf Wanandi, the head of a research institute in Jakarta. "There may be a tendency for foreigners to take over everything," he added, warning that the perception that this is happening could lead to a "new nationalism."

Among the big beneficiaries as Asian markets open are U.S. financial-service companies, but opportunities are also expected for industrial companies such as General Motors Corp. or large retailers like Wal-Mart Stores Inc. that operate in sectors where barriers to entry have been common. Such companies bring technology and control procedures to the new markets, but they will be hampered by lack of local experience.

"Local firms know the market much better

than foreign firms," said Emilio Antonio, director of the Institute for Economic Policy Research at the University of Asia and the Pacific in the Philippines. "Look at fast food here in the Philippines," he added. "There is a local firm, Jollibee, that went head-to-head with McDonald's, and Jollibee seems to be doing better. So foreign firms have an edge in some areas, but they won't take everything."

Asian countries have been steadily opening their economies in recent years, but they have generally been much more willing to admit McDonald's than Citibank. Governments in the region sometimes open banks and almost always control them, and leaders frequently regard pin-striped American bankers as uncontrollable, untrustworthy and unpredictable barbarians at their gates. And now the gates are giving way.

## Is Pressure on the Mark Making Dollar Wobble?

Analyst Says Concern for Russia Plays a Part

By Carl Gewirtz  
International Herald Tribune

PARIS — Stunned by the recent volatility in key exchange rates, the currency trader recounts, "It took almost six weeks, from early December to mid-January, to get the dollar from 1.77 Deutsche marks to 1.84, then it took five days to fall back to 1.75 DM and then only four days to return to 1.83 DM" on Friday.

Along with this yo-yo movement covering a range of nearly 5 percent, the dollar slid 8 percent from its January high against the yen and by the end of last week had recovered only a quarter of that decline, trading at 126.95 yen.

Traders attribute the confused and choppy late-month trading to a host of reasons: Uncertainty about the political ramifications of the sex scandal engulfing President Bill Clinton, shifting opinions on whether the fallout from the financial crisis in East Asia will be more damaging to the United States or to Europe and hopes for a dramatic shift in economic policy in Japan.

But was the dollar's performance last week a recovery or the beginning of substantial weakness in the Deutsche mark?

Avinash Persaud at J.P. Morgan in London insists that the mark is ailing and has been damaged by Germany's exposure to Russia and Eastern Europe, where he says the risks of a financial crisis are "high and rising." He added that this would have an impact on the pound and the Swiss franc.

His assessment is based on a research tool he has developed to signal an impending crash in small, high-yielding currencies. Called the Event Risk Indicator, he said, this tool now shows that the East Asian currencies that had been at the top in terms of risk "are now moving down while Russia, the Czech Republic and Poland are rising."

Given Germany's strong exposure as banker and exporter to the area, Mr.

Persaud said, he sees the mark weakening as the risk of currency crisis increases in Russia.

On Friday, the Russian central bank raised its key lending rate to 42 percent in an effort to stabilize the ruble. But Mr. Persaud cautioned that Russia is "slipping into a trap," as the high rates to defend the exchange rate will strain the budget deficit, damage growth and further undermine confidence.

Unless the rate increase results in a rapid and substantial strengthening of the ruble, Mr. Persaud said, his indicator is signaling that the risk of a "substantial" fall, which he defines as a drop of more than 10 percent, will "grow exponentially."

Mr. Persaud said his indicator predicted all of last year's East Asian crashes except for the one in the Philippines. He attributed the indicator's success rate to innovative methodology, particularly a quantitative measure of contagion — where one crash leads to another not because of trade dependency but because of falling investor appetite for risk.

### Seoul Set to Sell Eurobonds

South Korea plans to borrow billions of dollars in Eurobond sales this year once creditor banks approve a \$24 billion extension of short-term loans, Citibank's deputy chairman, Bill Rhodes, said Sunday. Bloomberg News reported from Davos, Switzerland.

Mr. Rhodes, who is senior coordinator of the 13-member bank creditor group that negotiated the debt refinancing, said South Korea "will probably do a bond issue in two or three tranches" for an amount totaling "in the billions."

The debt accord, announced Wednesday, allows South Korean banks to exchange their short-term nontrade credits falling due for new loans with maturities of one, two or three years. Creditor banks are expected to approve the agreement reached by the steering committee by March 31. Citibank said.



MONEY SUPPLY — A Philippines central bank employee stacking newly printed bills. Southeast Asian countries aim to increase use of regional currencies among themselves and cut dependence on the dollar.

## MERGER: Glaxo and SmithKline Beecham Plan a Goliath

Continued from Page 1

to do, even Merck, Bristol-Myers and Johnson & Johnson," said Steven Putnam, an analyst at Dresdner Kleinwort Benson.

The combined value of the two companies dwarfs the record \$37 billion that WorldCom Inc. paid recently to acquire MCI Communications Corp., as well as the \$27 billion value of the 1996 drug merger of Ciba-Geigy AG and Sandoz AG that created Novartis.

The planned merger, which was announced late Friday after markets closed in London and New York, was expected to bolster the already lofty prices of other drug company stocks, analysts said.

But the news came as a harsh blow to American Home Products Corp., which announced 10 days earlier that it was in merger discussions with SmithKline. American Home Products now faces a strategic vacuum and the prospect of a multimillion-dollar lawsuit over its Redux diet pills, which it withdrew from the U.S. market last year because of a risk of damaging heart valves.

Early agreement on some key issues indicated that Glaxo and SmithKline were likely to complete their merger. The two companies announced that Glaxo shareholders would control 59.5 percent of the merged group and SmithKline would have 40.5 percent. Sir Richard Sykes, Glaxo's chairman, would take that post at the combined company while

SmithKline's chief executive, Jan Leschly, would occupy that post.

Merger activity has mushroomed in recent years as globalization has buffeted industries from telecommunications to banking, but few have felt the changes as much as pharmaceuticals.

It can take more than 10 years and \$400 million of investment to develop a new drug, and the increasing technological complexity of leading-edge areas like genetic research promise to keep costs escalating. As a result, companies are eager to merge to eliminate overlapping research and sales expenses and to increase their chances of churning out top-selling drugs.

Sir Richard, who initiated the deal after SmithKline announced it was in talks with American Home Products, has publicly set a target of winning 10 percent of the global market for prescription drugs. The merger would put him within striking distance of his target, and well ahead of Merck and Novartis, which hover around 4 percent each.

Glaxo and SmithKline make a good fit because of their complementary product lines and strong R&D programs, analysts and company officials said.

Glaxo Wellcome is strongest in gastrointestinal, respiratory and viral drugs, while SmithKline Beecham focuses on antibiotics, vaccines and antidepressant drugs. Together, the two companies would spend just over \$3

billion a year on research and development, compared with \$1.9 billion for Novartis and \$1.5 billion for Merck.

Since 1996, the two companies have been collaborating on genetic research, an area where both expect to derive the hit products of the 21st century. Sir Richard and Mr. Leschly know each other since they both worked as vice presidents at Squibb Co.

Despite the imposing size of a Glaxo-SmithKline combination, the drug industry remains relatively fragmented globally, and the deal is not likely to face antitrust obstacles on their overall market share. But analysts said they would probably have to divest some drugs, particularly in anti-viral drugs for treating herpes and in oncology suppressants for chemotherapy patients, where they dominate the market.

Analysts say the two companies should be able to eliminate about \$1 billion (\$1.63 billion) a year of costs by cutting out duplication. They each have a London headquarters and research labs just outside the city, as well as separate laboratories in the United States.

Analysts saw significant cuts in Britain and predicted that SmithKline's lab outside Philadelphia would be closed in favor of Glaxo-Wellcome's facility in North Carolina. The prospect of as many as 10,000 job losses at the two companies, which employ nearly 112,000, aroused fear and anger among British unions.

## ASIA: World Economic Leaders Wonder How to Cross 'Uncharted Waters' of Asia's Crisis

Continued from Page 1

Stanley Fischer, the first deputy managing director of the IMF, said in an interview Sunday that he believed "we need more surveillance of short-term capital flows, and we need more information on lending not just by banks but also in the corporate sector."

But who asked who should be responsible for developing new surveillance mechanisms, Mr. Fischer declined to comment.

Most government officials here expressed doubt that the IMF would be able to take on a surveillance role soon. The White House worries that Congress may reject its attempt to raise \$18 billion in new funding for the IMF, as the Fund is coming under increasing political attack in Congress.

The deputy U.S. Treasury secretary, Lawrence Summers, speaking here Sunday night, said: "It is only markets that can really aggregate information, but free markets will only work in a proper legal framework and in a framework of transparency. It is my hope that the U.S. will respond closely to both these challenges."

Even so, help in measuring or regulating investment surges is also unlikely to get any quick help from the Group of Seven leading industrial nations. Officials preparing for the G-7 meeting in Britain in June say there are no plans to attempt to establish a means of monitoring short-term capital flows.

Few who have witnessed the market convulsions of the past several months would assign the monitoring task to banks.

"The banks are volatility merchants," Mr. Soros said. "There is no constituency to do anything about it."

In the meantime, Asian finance officials are nervously watching several potential triggers for renewed turmoil:

• A devaluation of the Chinese currency, which many officials say would touch off a new round of devaluations

that could hit financial markets worldwide.

"China will defend Hong Kong, but who will defend China?" Mr. Soros asked.

• Any failure by Japan, Asia's engine of economic growth and largest creditor, to address its financial and economic problems.

Japanese banks close their books at the end of March and may be required to tighten up Asian lending. "We are looking at March with a lot of anxiety," Mr. Panitchpakdi of Thailand said.

Japan, said Martin Kohlhauss, chairman of Commerzbank AG of Germany, must act "to prevent the Asian crisis from becoming a global crisis."

• Political and financial turmoil in Indonesia, where an aging leader, crony capitalism and ethnic tensions combine to create what officials here almost uni-

versally described as one of Asia's most volatile situations.

The economic turmoil has caused profound soul-searching in some Asian nations in an effort to change the region's business and financial culture to models more attuned to fast-moving global investors who punish companies and national economies for withholding information.

"We used to look to Japan as a role model," said Milton Kim Seok Dong, head of Ssangyong Securities & Investment, a South Korean investment bank. "But with all due respect to our neighbor, we now need to move to a model based more on transparency and shareholder value."

In a meeting with journalists Sunday, Deputy Prime Minister Li Lanqing of China took pains to send the message that Beijing recognized it could not let

its currency, the yuan, slip. He spoke of the "impossibility" of letting such a devaluation happen.

A devaluation, he said, would "add fuel to the flames" of global turmoil by triggering "another round of vicious devaluations" across Asia.

He also emphasized that financial transparency, budget rigor and allowing bankruptcies of weak state enterprises were all elements that financial markets would scrutinize in putting the nation's currency to the test.

Defending the yuan, he acknowledged, "is not only in our interest but also a contribution to the recovery of stability and confidence in the Asian currency markets."

"This is the price we have to pay for the benefit of reform," Mr. Li said. "It is also a hard reality of the market economy."

## Very briefly: Daves

• Viktor Chernomyrdin, the Russian prime minister, said the Russian economy was showing "positive signs." Mr. Chernomyrdin said that while the structural transformation change of the economy would take as long as 15 years, Russia would soon have "more reasonable" interest rates.

• The Bank of France does not intend to sell gold, Jean-Claude Trichet, the central bank's governor, said, responding to Peter Munk, chairman and chief executive of Barrick Gold Corp., who said European central banks had driven down the price of gold by not responding to rumors they were selling or would sell gold.

• Countries must not revert to protectionist trade measures to support local industry in the face of cheaper exports from Asia, the World Trade Organization's director-general, Renato Ruggiero, said. He urged Europe and the United States to keep their markets open.

• Chile and Argentina said their economies had felt little impact so far from the emerging-markets crisis in Asia. President Carlos Menem of Argentina said reforms implemented after the Mexican peso crash three years ago would help insulate South American countries from the crisis.

• China's deputy prime minister, Li Lanqing, ruled out a devaluation of the yuan to stave off the threat of greater

competition from Asian neighbors. He also pledged to keep China's economic policy stable.

• George Soros, the international financier, said he expected the Hong Kong currency's peg to the U.S. dollar to hold and said its collapse was an "unlikely event." He added that a period of austerity in Southeast Asia of "at least 18 months" was likely if governments adopted the necessary reforms.

• The financial and economic turmoil in Southeast Asia will help keep European inflation and interest rates low, although there is no danger of deflation, said Omar Issing, the Bundesbank's chief economist.

• Europe's planned single currency, the euro, will only rival the dollar as a reserve currency once the region has a more liquid bond market, Howard Lutnick, chief executive of Cantor Fitzgerald L.P., said.

• President Ernesto Zedillo of Mexico said countries had to improve their financial-regulation systems to prevent financial crises and not move to restrict capital flows.

• Jacques Santer, president of the European Commission, said he was confident the EU would soon reach a comprehensive agreement with Switzerland, following the agreement on a transport accord this month. Bloomberg, Reuters

## EURO: Disputes Tarnish Currency's Image

Continued from Page 11

French-German deal was in the works. Mr. Santer demurred. "The Maastricht treaty says the mandate for the ECB president is eight years," he said Sunday. "But we don't have to make up our mind on this yet."

Prime Minister Jean-Luc Dehaene of Belgium said, "For the moment there is no deal, and I would be surprised if there would be one before the beginning of May."

Mr. Dehaene said the divisive issue had been transformed into a series of trade-offs.

"This matter," he said in an interview, "is now mixed together with other issues, such as who will serve on the central bank's council and the decision about who will be the president of the EBRD, and in the end it will have to be a global package."

### Praise for Spain but Not Italy

Finance Minister Theo Waigel of Germany said Spain was on track to join Europe's single currency, but he raised fresh doubts about the credibility of Italy's fiscal austerity measures. Reuters reported from Bonn.

Mr. Waigel warmly praised Prime Minister Jose Maria Aznar of Spain in a speech in Munich for creating a "mini economic miracle." With public debt falling sharply, Spain is a prime candidate to join economic and monetary union, he said.

Mr. Waigel said Italy had to answer questions to allay fears that its deficit had been cut through budgetary tricks, though he said Rome had made impressive progress. "But there are still some open questions," he said. "For example: How much of the budget improvements are based on one-off effects?"

Mr. Waigel said Italy had to answer



Consolidated prices for all shares traded during week ended Friday, Jan. 30

Stocks		S&P 500		Div Yld		100% High Low		Oas Chg	

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Stocks	Div	Yld	Vol	High	Low	Close	Change
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Stocks	Dny Yds	Range				Clos	Chg
		High	Low	Open	Close		
127 3	26	1.17	1.15	1.16	1.16	0.00	
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Weeks	Day	Year	High	Low	Close	Open
1	Mon	1997	1.20	1.15	1.18	1.18
2	Tue	1997	1.20	1.15	1.18	1.18
3	Wed	1997	1.20	1.15	1.18	1.18
4	Thu	1997	1.20	1.15	1.18	1.18
5	Fri	1997	1.20	1.15	1.18	1.18
6	Sat	1997	1.20	1.15	1.18	1.18
7	Sun	1997	1.20	1.15	1.18	1.18
8	Mon	1997	1.20	1.15	1.18	1.18
9	Tue	1997	1.20	1.15	1.18	1.18
10	Wed	1997	1.20	1.15	1.18	1.18
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13	Sat	1997	1.20	1.15	1.18	1.18
14	Sun	1997	1.20	1.15	1.18	1.18
15	Mon	1997	1.20	1.15	1.18	1.18
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17	Wed	1997	1.20	1.15	1.18	1.18
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48	Sat	1997	1.20	1.15	1.18	1.18
49	Sun	1997	1.20	1.15	1.18	1.18
50	Mon	1997	1.20	1.15	1.18	1.18
51	Tue	1997	1.20	1.15	1.18	1.18
52	Wed	1997	1.20	1.15	1.18	1.18
53	Thu	1997	1.20	1.15	1.18	1.18
54	Fri	1997	1.20	1.15	1.18	1.18
55	Sat	1997	1.20	1.15	1.18	1.18
56	Sun	1997	1.20	1.15	1.18	1.18

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**Continued on Page 15**

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Consolidated prices for all shares  
traded during week ended Friday,  
Jan. 30

(Continued)

Stocks	Sales						
	Div	Yld	100s	High	Low	Close	Change
Outboard	-	-	1375	54 1/2	5	51 1/2	
Outboard	-	-	242	11 1/2	10 3/4	10 3/4	- 1/8
Outboard	36	4 1/2	106 1/2	7 1/2	7 1/4	7 1/4	+ 1/8
Outboard	-	-	106 1/2	15 1/2	14 1/2	14 1/2	+ 1/8
Outboard	-	-	112	7 1/2	7 1/4	7 1/4	+ 1/8
Outboard	-	-	242	21 1/2	21 1/4	21 1/4	- 1/8
Outboard	-	-	1100	8 1/2	8 1/4	8 1/4	- 1/8

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Stocks	Div	Yld	Sale 100s	High	Low	One Chg
Am. Can. Co.						
Am. Express						
Am. Tobacco						
Am. Tel. & Tel.						
Am. Waterworks						
Am. Zinc & Lead						
Am. Sugar						
Am. Tea						
Am. Oil						
Am. Gas						
Am. Ice						
Am. Lumber						
Am. Paper						
Am. Rubber						
Am. Steel						
Am. Coal						
Am. Copper						
Am. Iron						
Am. Lead						
Am. Zinc						
Am. Tin						
Am. Silver						
Am. Gold						
Am. Platinum						
Am. Palladium						
Am. Nickel						
Am. Manganese						
Am. Potash						
Am. Soda						
Am. Borax						
Am. Fluorine						
Am. Chlorine						
Am. Bromine						
Am. Iodine						
Am. Selenium						
Am. Tellurium						
Am. Vanadium						
Am. Chromium						
Am. Manganese						
Am. Iron						
Am. Lead						

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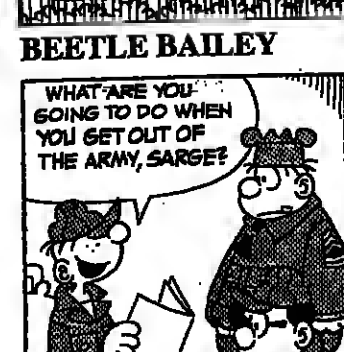
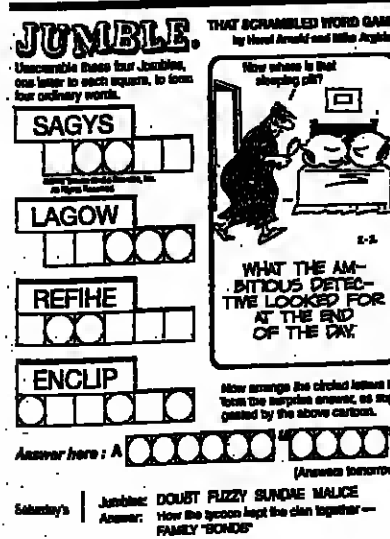
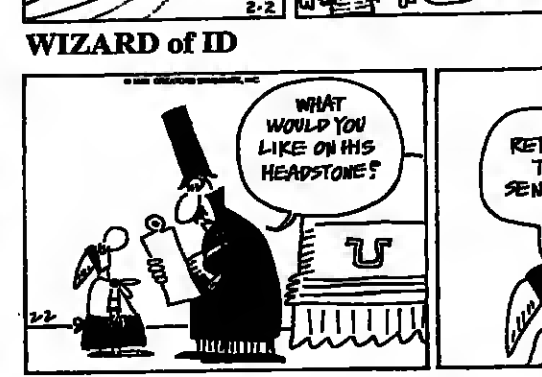
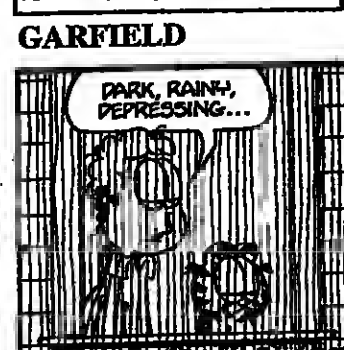
年次	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100																											
人口	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000	1,400,000	1,450,000	1,500,000	1,550,000	1,600,000	1,650,000	1,700,000	1,750,000	1,800,000	1,850,000	1,900,000	1,950,000	2,000,000	2,050,000	2,100,000	2,150,000	2,200,000	2,250,000	2,300,000	2,350,000	2,400,000	2,450,000	2,500,000	2,550,000	2,600,000	2,650,000	2,700,000	2,750,000	2,800,000	2,850,000	2,900,000	2,950,000	3,000,000	3,050,000	3,100,000	3,150,000	3,200,000	3,250,000	3,300,000	3,350,000	3,400,000	3,450,000	3,500,000	3,550,000	3,600,000	3,650,000	3,700,000	3,750,000	3,800,000	3,850,000	3,900,000	3,950,000	4,000,000	4,050,000	4,100,000	4,150,000	4,200,000	4,250,000	4,300,000	4,350,000	4,400,000	4,450,000	4,500,000	4,550,000	4,600,000	4,650,000	4,700,000	4,750,000	4,800,000	4,850,000	4,900,000	4,950,000	5,000,000	5,050,000	5,100,000	5,150,000	5,200,000	5,250,000	5,300,000	5,350,000	5,400,000	5,450,000	5,500,000	5,550,000	5,600,000	5,650,000	5,700,000	5,750,000	5,800,000	5,850,000	5,900,000	5,950,000	6,000,000	6,050,000	6,100,000	6,150,000	6,200,000	6,250,000	6,300,000	6,350,000	6,400,000	6,450,000	6,500,000	6,550,000	6,600,000	6,650,000	6,700,000	6,750,000	6,800,000	6,850,000	6,900,000	6,950,000	7,000,000	7,050,000	7,100,000	7,150,000	7,200,000	7,250,000	7,300,000	7,350,000	7,400,000	7,450,000	7,500,000	7,550,000	7,600,000	7,650,000	7,700,000	7,750,000	7,800,000	7,850,000	7,900,000	7,950,000	8,000,000	8,050,000	8,100,000	8,150,000	8,200,000	8,250,000	8,300,000	8,350,000	8,400,000	8,450,000	8,500,000	8,550,000	8,600,000	8,650,000	8,700,000	8,750,000	8,800,000	8,850,000	8,900,000	8,950,000	9,000,000	9,050,000	9,100,000	9,150,000	9,200,000	9,250,000	9,300,000	9,350,000	9,400,000	9,450,000	9,500,000	9,550,000	9,600,000

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**WORLD ROUNDUP**

**Bjorn Wins in Wind**

**GOLF** Thomas Bjorn of Denmark survived a testing breeze Sunday to win the \$940,000 Heineken Classic in Perth, Australia.

Bjorn birdied the final hole for a 2-over-par final round of 74 and a total of 280. Ian Woosnam, who shot 76 Sunday, finished second, a stroke behind. Jose Maria Olazabal, Ernie Els, Padraig Harrington and Peter Baker were tied for third a shot further back. (AP)

**Greene Equals Record**

**ATHLETICS** — Maurice Greene equaled the world indoor 60-meter record Sunday, clocking 6.41 seconds in Stuttgart. Greene matched the time set by Andre Cason in 1992 at Madrid. (AP)

**Another Rival to NFL?**

**FOOTBALL** NBC and Turner Broadcasting said Friday they were discussing starting a league to compete for viewers and advertisers with the National Football League. NBC and Turner lost their NFL contracts when the league agreed to a \$17.6 billion set of deals with rival stations two weeks ago. NBC had televised pro football since 1965; Turner had shown a Sunday night game for four years. (WP)

**U.S. Sledder Suspended**

**OLYMPICS** The international bobsled federation banned Michael Dionne, a member of the U.S. No. 3 sled, because the stimulant ephedrine showed up in his system at a competition in November.

Brian Shimer, the top U.S. sledder, will compete in the Winter Olympics despite a test that found high levels of testosterone, according to people close to the U.S. team. The second part of the sample showed normal testosterone levels. (AP)

**All Calm in Whitbread**

**SAILING** Merit Cup led the fifth leg of the Whitbread round-the-world yacht race Sunday. The nine yachts were stuck in light winds on the first day of the fifth leg as they headed out of Auckland bound for Sao Sebastiao, Brazil. Chessie Racing was second, less than 200 meters behind. (AP)

**Doak Walker Injured**

Doak Walker, the Hall of Fame running back, sustained a paralyzing injury when he fell while skiing at a resort in Steamboat, Colorado.

"He's not moving his arms or legs," said Dr. Jay Law, neurosurgeon at Columbia Swedish Medical Center. "There's some spontaneous movements now and then but we're not certain if they're reflexes."

Rod Hanna, a resort spokesman, said witnesses told him Walker, 71, was making giant-slam type turns "when he hit a change in terrain, which caused him to travel 20-30 feet in the air."

There were no trees in the area, Hanna said. (AP)

**Korda Pummels Rios To Take 1st Slam Title**

*Czech Wins, 6-2, 6-2, 6-2, in Australian Open*

By Robin Finn  
New York Times Service

MELBOURNE — Petr Korda, the 30-year-old Czech string bean, won his first Grand Slam event Sunday at the Australian Open with a world-class pummeling of Marcelo Rios, the No. 9 seed from Chile.

Korda had the 22-year-old Rios on the ropes from the start to the finish of this lopsided final, a 6-2, 6-2, 6-2 demonstration of willpower on one side of the court and wit power on the other. Korda dominated the first all-lefthanded final at the Australian Open since Roscoe Tanner tamed Guillermo Vilas in 1977. The victory moved Korda to a career-best second in the world rankings.

He also became the oldest Grand Slam champion since Andres Gomez of Ecuador won the French Open in 1990, but Korda was a decidedly less exhausted champion than Gomez had been. After dropping to his knees for a moment to allow the significance of his performance to sink in, he hurled his racket into the stands and launched into a brief gymnastics routine as he celebrated the title it took him 35 Slams to win.

"I was on the waiting end of this for a long, long time; I didn't believe it could happen, it's like a dream," said Korda, whose only previous appearance in a Slam singles final was a loss to Jim Courier at the 1992 French Open.

Korda won in 85 minutes. It was the most one-sided men's championship since two-time champion Ivan Lendl trounced Miloslav Mecir by an identical 6-2, 6-2, 6-2 margin. Both those men, like Korda, started their careers as Czechoslovaks.

Korda's post-match cartwheel was as off-balanced as Rios's baselining had been. Then the ebullient new champion zipped through a pair of signature scissor kicks.

Korda's oext celebratory act was a sprint and a climb into the friends' box at courtside, where his wife, Regina, and 4-year-old daughter, Jessica, the inspirations for his comeback last year after three seasons marred by injury and surgery, were awaiting his embrace.

After almost quitting the game in 1995, Korda instead underwent abdominal surgery to repair a hernia, then had groin surgery, and finished it all off with sinus surgery last fall, two months after his rousing upset of top-seeded Pete Sampras in the last 16 of the U.S. Open. This year Korda re-entered the top 10, and he is undefeated in 1998 after kicking off the year by winning the Qatar Open final in Doha. Rios, who will be ranked a career-high fifth, suffered his first defeat of 1998 at the hands of Korda, the player he beat here in the first round in 1997.

"I don't think I was nervous, but maybe I was excited; I mis-hit too many balls, lost my coordination," said Rios, who made 31 unforced errors and just seven winners.

Rios broke Korda only once, and dropped his own serve seven times, most notably with a double fault that cost him the opening set. The Chilean, who has reversed a two-sets-to-none

deficit just once in his career, at last year's French Open, never came close to making a stand: once Korda took a 4-1 lead in the third set, Rios all but waved a white flag.

Accused, sometimes by his own peers, of tanking matches, Rios said he was reformed in that respect, and that his no-show Sunday had less to do with a lack of motivation and everything to do with Korda, who came out swinging for the lines and barely missing them.

"He was hitting the ball hard from the beginning, so I never got my rhythm," said Rios, who yielded the match by losing his serve.

Though Rios fended off Korda's initial match point with a service winner, he was beaten on the second by a crisply angled cross-court forehand pass, Korda's 32d winner of a contest that, thanks to his technical brilliance, turned out to be no-contest.

"I was so nervous yesterday, but today I enjoyed it right from the first point," said Korda, who warmed up with a fellow lefty, John McEnroe.

"It's been the ride of my life and I'm happy I went to the last stop," Korda said. "I feel I'm on top of the world at the moment."



Petr Korda celebrating his victory over Marcelo Rios at the Australian Open on Sunday.

**Hingis Breezes Into the Record Book Once Again**

New York Times Service

MELBOURNE — It was another pleasant day at the outdoor office, another Grand Slam title, along with its six-figure paycheck, tucked into the ever-expanding piggy bank of 17-year-old Martina Hingis. She completed a successful and, if truth be told, virtually rote defense of her Australian Open title this afternoon with a 6-3, 6-3 pasting of Conchita Martinez, the No. 8 seed from Spain.

Hingis's accomplishment Saturday had historic echoes and its own tidy symmetry. The 86-minute finale not only delivered Hingis her fourth Grand Slam singles title, but it also made her the youngest player in the Open era to defend a Slam championship. The record was previously held by Monica Seles, who was 17 and a half when she repeated as champion of the French Open in 1991.

Hingis was a junior champion at Wimbledon in 1994, the year Martinez won that title at the expense of Martina Navratilova, the player Hingis was named for.

The youngest player to reach the \$5 million mark in career earnings, Hingis captured three Slam championships in 1997 and reached the finals of all four majors. Saturday's Australian final was her first attempt to defend a Slam crown.

"Let me tell you one thing, to defend the title is much harder than to come in and win it the first time," said Hingis, who clasped hands in victory with her mother, Melanie Molitor, and her doubles partner, Mirjana Lucic.

"There's so much pressure," she said. "Then, the relieved and delighted champion dumped a bottle of water over



Martina Hingis greeting her trophy after winning the Australian Open.

her slick, dark hair before making her acceptance speech. "I'm happy to have continued to do this this time, especially in singles and in doubles," said Hingis, whose victory was assured when Martinez pumped out her 37th bloop, a backhand wide of the target, at match point.

"She played the right shots at the right time; today patience was everything," said Martinez, who did not have enough of it. "I felt I had a shot at it, but she didn't let me attack. I didn't

play bad but I didn't play great." Martinez played this match much the same way she had played Hingis in her previous two matches, both straight-set losses in 1997: She dropped the opening set and dropped her first service game in the second set with a lazy netted backhand.

Although Martinez broke Hingis in the first game of the match, she then surrendered her own service game without winning a single point and launched an overwrought forehand outside the

sideline at triple break point. After Hingis held for 2-1, Martinez got into trouble again on her serve and put herself in a 3-1 hole with another misfired forehand.

Martinez failed to put up anything resembling a fight until she fended off two set points as she served at 2-5. She recovered that game, to close to 3-5, but that provided only a temporary respite from the loss of the set.

But the Swiss teenager needed just one chance to serve out the opening set in the next game. A netted backhand from the Spaniard, her 22d unforced error in the 40-minute old match, converted Hingis's third set point for the 6-3 decision.

After breaking Martinez for a 1-0 lead in the second set, Hingis drifted into an uncharacteristic attention lapse and failed to hold serve.

Martinez held for 2-1, but the lead was only momentary. After Hingis survived a long and twisting rally in the fourth game on a point that could have given Martinez a double break point, the Spaniard again retreated and the Swiss won 12 of the next 14 points.

Once Hingis broke for 3-2, Martinez's body language signaled imminent defeat. The champion never let her back into the match.

Last year was the first time in a decade that Martinez, now 25, had failed to win a single tour singles title and the first time since 1992 that she failed to win the Italian Open, her favorite event. The slump pushed her out of the top 10, but her seven-round campaign here in Melbourne moved her back to eighth in the world. Considering that her best previous result here had been a loss to the eventual champion, Mary Pierce, in the 1995 semifinals, Martinez sounded satisfied. —ROBIN FINN

**Ronaldo Finally Breaks Through**

*Striker Ends Goal Drought to Lead Inter Milan Over Brescia, 1-0*

Compiled by Our Staff From Dispatches

Ronaldo ended his goal drought Sunday, heading in the only tally of the game in the 74th minute as Inter Milan triumphed, 1-0, at Brescia.

Inter played the last eight minutes with 10 men after a winger, Francesco Moriero, was sent off.

Ronaldo, the world player of the year for the past two seasons, had not scored since Dec. 6 and had been criticized by Massimo Moratti, the Inter Milan owner, last week after the club's winless streak reached two games.

That brief skid allowed Juventus of Turin to take over first place. The defending champion stayed there with a 2-0 victory over Lecce.

Juventus suffered a setback when its veteran defender, Ciro Ferrara, fractured his left leg in two places. The injury cast doubt upon his status for the World Cup finals this summer in France.

Mark Juliano replaced Ferrara and scored his first goal of the season at the end of the first half. Giuseppe Giannini, a Lecce midfielder, was sent off in the 58th minute. Alessandro Del Piero scored with two minutes to play.

Third-place Udinese lost, 1-0, at Fiorentina. Serie A's top two scorers — Oliver Bierhoff of Udinese and Gabriel Batistuta of Fiorentina — could not score, and the match was decided by Luis Oliveira's goal.

Elsewhere, Filippo Maniero — acquired from Parma last week — headed home the winner after a scramble in the 90th minute to give AC Milan a 1-0 victory over Piacenza. It ended Milan's 388-minute scoreless streak at the San Siro Stadium.

Spain's Barcelona returned to the top of the Spanish first division Sunday but was booed off the field by its fans after struggling to a 2-1 victory over last-place Sporting Gijon.

Rivaldo scored both goals in the match, which lifted Barcelona past Real Madrid in the standings. Madrid is

slated to play Valencia on Monday.

Real Sociedad won, 4-0, at Valladolid to stay close behind in third place.

**ENGLAND** David Batty scored his first goal of the season to give Newcastle a 1-0 victory at Aston Villa on Sunday. Newcastle is mired in the

**EUROPEAN SOCCER ROUNDUP**

middle of the Premier League standings while Villa is hovering just above the relegation places.

On Saturday, Manchester United lost at home for the first time this season. Tony Cottee, a former England international making only his second start of the season, scored in the 30th minute to give Leicester City a 1-0 victory.

United's two closest pursuers could not exploit its slip. Liverpool and Blackburn drew, 0-0, at Liverpool and were both overtaken by Chelsea, a 2-0 winner over last-place Barnsley. Liverpool lost Jason McAteer, an Irish international, with a broken leg.

Gianluca Vialli, who scored four times in Chelsea's 6-0 victory at Barnsley last August, scored the first, and Mark Hughes added the second.

Trevor Sinclair, who joined West Ham for £3 million (\$4.9 million) from Queens Park Rangers last week, marked his debut with both goals in a 2-2 draw against Everton.

**GERMANY** Giovane Elber scored after 11 seconds as Bayern Munich beat last-place Hamburg, 3-0, on Saturday as the Bundesliga resumed after a six-week winter break.

Kaiserslautern, the league leader, drew, 1-1, in Gelsenkirchen against Schalke 04. Bayer Leverkusen remained in fourth place after a 1-1 draw at Karlsruhe on Sunday.

Bayern took the lead when Mario Basler looped a 40-meter pass into the Hamburg penalty area. Hamburg's goalkeeper, Richard Golz, and a defender, Stefan Boeger, crashed into each other, leaving Elber to head in the quick-

est goal in the Bundesliga's 35-year history.

Elber, a Brazilian, seemed to thrive in the subzero temperatures and frozen field. He added a second goal 42 minutes later.

Elber is heading for Miami this week to play for Brazil's national team at the Gold Cup competition.

**SCOTLAND** St. Johnstone beat Rangers for the first time in a league match Saturday, allowing Hearts to draw even with Rangers at the top of the Scottish Premier League.

St. Johnstone, from Perth, had not beaten Rangers in 50 previous league meetings. John O'Neill and George O'Boyle scored as St. Johnstone won, 2-0. Hearts beat Dundee United, 2-0, in Edinburgh.

**Violence in England and Italy**

A fan who ran onto the field and punched a linesman in a first-division match at Portsmouth on Saturday was charged with assault Sunday, Reuters reported.

John Michael Corker — a Sheffield United fan — attacked Edward Martin after Martin had drawn the referee's attention to a foul by Simon Tracey, the United goalkeeper, and the referee had sent Tracey off.

Martin was unconscious for five minutes. He spent the night in a hospital and was discharged Sunday.

There was also violence in Italy on Sunday, The Associated Press reported. Fans threw rocks at the car taking Luciano Moggi, the Juventus general manager, away from Lecce's stadium after Juventus won there.

In Verona, police clashed with supporters of visiting Salernitana both before and during a second-division match. At least five fans and one officer were injured. Police used tear gas to disperse the fans, who were throwing firecrackers and other objects. The gas spread to the field, and the referee halted the match for six minutes.



Newcastle's Alan Shearer trying to escape Aston Villa's Riccardo Scimeca, right.

**Maier Wins 4th-Straight Super-G**

Compiled by Our Staff From Dispatches

**GARMISCH-PARTENKIRCHEN, Germany** — Hermann Maier of Austria, the dominant skier in this season's World Cup competition, captured his fourth consecutive victory in the Super-G on Sunday in the final Cup race before the opening of the Winter Olympics.

Maier, who is unbeaten in the Super-G this season, won with a time of one minute, 19.79 seconds, beating a fellow Austrian, Hans Knauss, by 0.91 seconds. In his previous two victories, Maier had been first by more than a second, a huge gap in World Cup races.

Maier, racing just after Knauss, was 0.37 seconds ahead of his teammate at the halfway point. He then increased his lead with a near-flawless performance on a sunny day with perfect conditions on the Kandahar course.

Lasse Kjus of Norway was third in 1:20.88 and became only the second non-Austrian to reach the podium in a Super-G competition this season. Luca Cattaneo of Italy placed

third on Jan. 11 at Schladming, Austria. On Saturday, Andreas Schifferer of Austria won the downhill, with Maier placing third. The Austrian men's team has won 22 of 30 races this season.

• Katja Seizinger of Germany won a downhill race in frigid conditions in Are, Sweden, on Saturday. It was her eighth victory of the season.

Seizinger crossed the finish line in one minute, 4.92 seconds, 0.17 seconds ahead of Renate Goetschl of Austria and 0.26 seconds ahead of Florence Masnada of France in the final women's World Cup race before the Olympics.

Picabo Street of the United States crashed at an estimated 75 miles an hour (120 kilometers an hour). She rolled down the slope before slamming into safety netting. Officials said the 1996 world downhill champion lost consciousness briefly. She was helped to her feet and limped off the course before bursting into tears. She said Sunday that she would compete in Nagano.

(AP, Reuters)

**Callard Leads Bath Over Brive**

Reuters

**BORDEAUX** — Jonathan Callard, a late substitution, scored all his team's points including an injury-time penalty as Bath of England beat the French club Brive, 19-18, to capture the rugby-union European Cup.

It was the first victory in a European Cup final by an English team. Toulouse won the inaugural tournament in 1996 and Brive kept the trophy in France last season. Callard, who also scored the only try and made a 2-point conversion, put Bath ahead Saturday when he kicked home his fourth penalty at 1 minute, 13 seconds of injury time.

In the few remaining seconds, Brive had two chances to win. First, Christophe Lamaison missed a penalty from 20 meters. Lisandro Arbizu then sent a drop-goal attempt wide in a furious finale.

Lamaison also missed a last-minute effort in the semi-final against Toulouse, but went on to secure Brive's place in the final with an equalizing penalty in extra time.

Bath dropped Matt Perry, the England fullback, to include Callard, who is a better place-kicker.

Brive led from the opening minutes until the dying seconds, but could not score a try. Its points came from five penalties by Lamaison and a drop-goal by the fullback Alain Penaud.



## SPORTS

## 'Rodeo on Ice' Could Spell NHL's Downfall

Vantage Point/By Jeff Z. Klein and Karl-Eric Reif

New York Times Service

THE general managers of the 26 National Hockey League teams meeting in Phoenix on Monday for their annual conference will convene in a troubled atmosphere, despite the league's participation in the Winter Olympics.

Over the past year, their game has been rocked by such embarrassments as the fraud conviction of the former chief of the NHL players' union, Alan Eagleson, sex-abuse scandals involving the mentors of young players, and franchise instability. But the general managers' real mandate at the four-day conference is to solve a problem that most fans see as the most damaging of all: a scoring drought that has markedly slowed the world's fastest game.

Scoring has plummeted since the start of the 1990s. In 1989-90, the average NHL game saw an average of 7.28 goals scored. By 1993-94, the average had dropped to 6.40. Last year, the number fell to 5.75. This season, through Jan. 29, it was 5.19, the lowest figure in 42 years.

Having belatedly awakened to the problem, some commentators and even some general managers are proposing scorched-earth rule changes. Hideous notions, such as eliminating the center red line, forbidding goalkeepers to leave the crease to play the puck, replacing three 20-minute periods with four 15-minute quarters,

mandating that certain players cannot defend in certain zones and even enlarging the size of the goal itself, will all receive a hearing in Phoenix.

The truth is that the NHL need do only two things to restore the level of scoring and entertainment: return to the rules governing goaltending equipment that were in effect before the 1989-90 season, and call the game by the book.

Mario Lemieux, one of the greatest offensive talents in hockey history, echoed the thoughts of millions of fans at his Hall of Fame induction last year. The game had become boring, he said; he was glad he retired when he did.

"It's to the point where it's not hockey anymore," Lemieux said during his final season. "It's like football on skates."

Lemieux was talking about the rule-bending clutch-and-grab tactics that have proliferated in recent years, and the league's failure to do anything about them. Hooking, holding and outright tackling regularly go unpunished, handicapping the most stylish and skillful attackers.

Where referees once turned a blind eye to such obstruction fouls only in the third period and overtime, they now seem to do it throughout the entire game. Last month, just before

the St. Louis Blues' superstar Brett Hull was sidelined for 13 games with a broken hand after an unpenalized slash, he described the NHL as a "rodeo on ice."

"It's unbelievable," Hull said. "Why don't they throw out the rule book? The league had better wake up. It's embarrassing. How can they let the game be like that? It's a hooking and holding fest."

The NHL knows such claims are true; it has made frequent pledges in recent seasons to crack down on restraining fouls. Each time, after a few weeks of mixed messages to the players during which some referees call the game strictly and others let things go on as before, the NHL throws up its hands and abandons any pretense at a crackdown.

THE AGENT of offensive decay most frequently cited by pundits is the neutral-zone trap or its variant, the left-wing lock, "new" defensive strategies that are merely a return to the responsible positional play used by the great Canadian teams of the '50s, '60s and '70s. Some of the more grossly misguided rule changes under consideration this week, such as legalizing the two-line pass and encouraging the stuffy, dump-and-chase by tethering goalies

to their crease, are efforts to neutralize the trap and other conscientious checking tactics.

But if the trap or the lock were actually the culprit, why have goalies save percentages skyrocketed over the last few years? The real reason is that goalie equipment is not only lighter, it is also ridiculously bigger. Leg pads were allowed to become 20 percent wider — from 10 inches to 12 — under a 1989-90 rule revision. Along with them, every other piece of goalie gear from catching gloves to toe caps to shoulder pads has mutated into huge sizes.

In 1990, Patrick Roy led the league in save percentage with a .912 figure, one of only five goalies to come in over .900. Today, Roy leads the league at .924, one of 28 regular goalies over .900 through the games of Jan. 29.

In the 1929-30 season, the NHL abolished all offside rules in response to another scoring drought. The experiment was abandoned after only one month.

"I'm a bit of a traditionalist," said Mark Messier, the Vancouver center. "I think the rules of the game themselves, the red line, the two-line pass, the offside, things like that are something I don't even think we'd ever want to take away from the game."

## Nuggets, Aided by Newman, Win Again

The Associated Press

Johnny Newman, an 11-year veteran who had started only five of the previous 43 games for the Denver Nuggets, came off the bench and scored 21 points as the Nuggets snapped an 11-game home losing streak with a 110-98 victory over the Dallas Mavericks.

Bobby Jackson added 20 points and 11 rebounds, Tony Battie scored 19, and LaPhonso Ellis had 13 points and a season-high 14 re-

## NBA ROUNDUP

bounds on Saturday night. Denver, which had not won at home since Dec. 7 against the Los Angeles Clippers, triumphed for only the second time in 27 games.

"We're setting new records — that is two wins in a month for us," said the Denver coach, Bill Hamill.

Michael Finley had 38 points for the Mavericks as they lost their 18th straight road game. Dallas has not won on the road since Nov. 1 in Seattle.

"My team gave me everything they had and Denver countered everything we did," said the Dallas coach, Don Nelson.

The Nuggets began to pull away in the third period. Dean Garrett and Jackson had five points each. Garrett followed two misses with dunks, and Jackson's 20-foot jumper put them up, 73-64, with 1:36 left in the period.

Cavaliers 90, Pistons 88. Zydrunas Ilgauskas had a career-high 33 points and 13 rebounds, and Shawn Kemp added 27 points and 15 rebounds as Cleveland beat visiting Detroit.

Ilgauskas, the towering rookie center from Lithuania, and Kemp combined to make 23-of-31 from the field as Cleveland went to its inside game after learning that its rookie guard, Derek Anderson, would miss six to eight weeks with a knee injury.

Detroit's Lindsey Hunter



The Pistons' forward Jerry Stackhouse, left, battling with Vitaly Potapenko of the Cavaliers for a rebound.

scored 18 points, but missed a 20-footer at the buzzer that would have sent the game into overtime. Grant Hill had 19 points and 10 rebounds, but was only 6-for-17 from the field.

Stars 96, Magic 94. Rex Chapman scored eight of his 19 points in the final 37 seconds as Phoenix came from behind to win in Orlando.

Chapman made a clutch 3-point and five free throws down the stretch as Orlando squandered an eight-point lead in the final 2:35.

Rockets 102, 76ers 88. Charles Barkley had 14 points and 15 rebounds as Houston snapped a five-game road losing streak.

Kevin Willis had 18 points, Mario Elie pitched in 12 and Eddie Johnson had 16 for the Rockets, who have not lost in their last six trips to Philadelphia. The 76ers got 22 points from Jim Jackson and 18 points and 12 rebounds from Derrick Coleman.

Hawks 103, Hornets 83. In Charlotte, Steve Smith and Mookie Blaylock each scored 20 points as Atlanta snapped the Hornets' four-game winning streak.

Chuck Brown led a 37-point performance from Atlanta's bench, scoring 6 of his 14 in a decisive fourth-quarter run as the Hawks won their second in a row after a five-game skid.

## Barrasso's Saves Lift Penguins

The Associated Press

The Pittsburgh Penguins beat one of the NHL's better teams without playing one of their better games.

Tom Barrasso made 51 saves and Fredrik Olausson scored twice as the Penguins survived 53 shots and beat the Detroit Red Wings, 4-2, in Pittsburgh on Saturday.

The shot total was no big deal, according to Barrasso. "We had a lot of penalties to kill and I'm sure they had quite a few power-play shots," he said. "A lot of their offense is to get the puck to their defensemen, who are very skilled. They try to get it to the net and get a lot of rebounds. They did that a lot. Fortunately we were able to control the rebounds and clear them out."

Barrasso's 51 saves was a club record. The previous mark of 49 was set by Patrick Lalime on Jan. 21, 1997, in a 4-2 victory over Calgary.

Capitals 3, Flyers 2. Michal Pivonka's second goal of the game, at 2:23 of overtime, gave Washington victory in Philadelphia.

Pivonka, who has only three goals this season, intercepted a pass by Philadelphia's John LeClair and

## NHL ROUNDUP

beat Ron Hextall with a backhand shot from the right crease. Pivonka had tied the score at 10:49 of the third period.

Devils 2, Flames 2. In Calgary, Hnat Domenichelli scored with 42 seconds left in the third period as the Flames tied New Jersey.

Domenichelli picked up a loose puck in the face-off circle and fired a wrist shot past the New Jersey goaltender, Mike Dunham.

Senators 4, Canadiens 3. Igor Kravchuk and Alexei Yashin scored in the second period as Ottawa won in

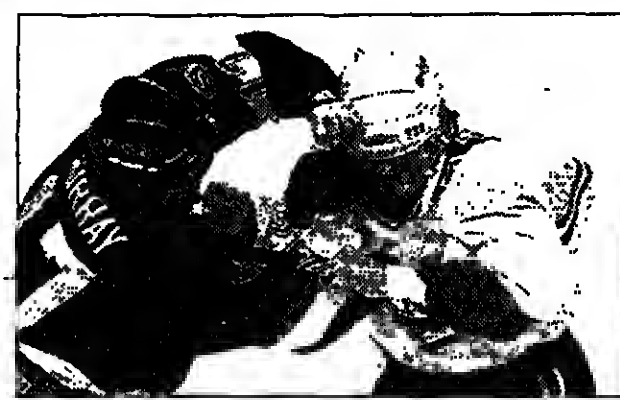
Montreal. Pat Falloon scored in the first period and Andreas Dackell got one in the third for Ottawa. Brian Savage scored two goals and Stephane Quintal had one for the Canadiens.

Coyotes 5, Maple Leafs 2. Nikolai Khabibulin made 38 saves and five different players scored as Phoenix won in Toronto. Despite outshooting Phoenix, 40-22, the Maple Leafs came up with one of their worst defensive performances of the season.

Toronto gave up two power-play goals and one when it had the man advantage.

Panthers 2, Lightning 0. In Miami, John Vanbiesbroeck gained his second shutout in three games as Florida beat Tampa Bay to extend the Lightning's franchise-record losing streak to 12 straight.

Bruins 4, Rangers 2. In Boston, rookies Hal Gill and Sergei Samsonov and a 19-year veteran, Ray Bourque,



The Senators' Chris Murray, left, landing a puck in the first period.

scored third-period goals as the Bruins overcame a 2-0 deficit to beat New York.

Stars 6, Stars 3. In St. Louis, Craig Conroy scored twice and Brett Hull had four assists as the Blues beat Dallas.

Sharks 5, Avalanche 2. In San Jose, Owen Nolan and Jeff Friesen each had a goal and an assist to lead the Sharks over Colorado.

Kings 3, Blackhawks 0. Glen Murray extended his

goal-scoring streak to four games and Russ Courtnall had a shorthanded goal as host Los Angeles beat Chicago.

Canucks 6, Oilers 3. Alexander Mogilny had a goal and two assists as Vancouver ended its six-game road winless streak. Mark Messier, Pavel Bure, Scott Walker and Mike Sillinger also scored for the Canucks, who had not won away from home since Dec. 17 in Phoenix.

## SCOREBOARD

## BASKETBALL

## NBA STANDINGS

ATLANTIC DIVISION	W	L	Pct	GB
Atlanta	26	16	.619	—
New York	26	19	.576	3
New York	24	19	.558	3
Washington	22	22	.500	5 1/2
Orlando	21	23	.479	7 1/2
Boston	20	24	.452	7 1/2
Philadelphia	14	29	.326	13

## CENTRAL DIVISION

Utah	29	14	.674	—	San Antonio	25	18	.577	5 1/2
Minnesota	25	18	.581	1	L.A. Clippers	22	22	.500	9 1/2
Phoenix	22	22	.500	4	El Paso	13	33	.283	19
Houston	13	33	.283	19	23, Clippers	8	36	.182	23
Denver	4	40	.091	27	U.D.Robinson				
PACIFIC DIVISION									
Seattle	35	10	.778	—	Assists—G				
L.A. Lakers	22	11	.644	2	Clippers 13				
Phoenix	29	16	.644	1	Minnesota				
Portland	24	24	.500	3	L.A. Lakers				
San Antonio	19	26	.423	10	M. Marbury				
L.A. Clippers	10	36	.217	25 1/2	20, Lakers—R. Robinson				
Golden State	8	35	.186	28	AP, Phil. 7				

## WESTERN DIVISION

C. Wesley	10-16	6-8	28	Midson	7-11	10-14	C. Phippen
24-8	Wolter	12-25	11-11	38	Mercer	7-18	4-5
14	Rebooms	—	Charlotte	53	(Henson	130)	G.S.: Smith
Position	42	Wolter	11	Assists	—	Charlotte	14
(Beck	47	Easton	20	(Walker	6)		
Cleveland		21	28	19	15	—	53
Indians		19	15	28	27	—	89
C. Igonoukos	8-11	9-10	25	Kemp	7-13	34-47	
Person	5-14	3-17	7	1	Miller	9-18	24
							24
							Smith

## PACIFIC DIVISION

1 Cleopatra's love	28 Antares, not one	53 H
—Antony		58 D
5 Scrabble play	31 Volcanic fallout	69 D
8 Cosmetician	34 Playing marble	71 B
—Lauder	36 Building wing	81 B
14 On the briny	37 Forearm bone	82 L
15 Verdi's "D'amor sull'ali roseo,"	38 Best	83 B
—A.g.	42 Mishmash	84 —
16 Con man	43 Coach	85 F
18 Connoisseur	45 Paraghean	86 S

## MAJOR COLLEGE SCORES

Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73

## SATURDAY RESULTS

Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73
Princeton 64, Cornell 41	North Carolina 79, Wake Forest 73

## ICE HOCKEY

## NHL STANDINGS

ATLANTIC DIVISION	W	L	Pts	GF	GA
New Jersey	21	16	42	152	108
Philadelphia	25	19	49	152	117
Washington	26	17	53	162	123
Florida	18	23	39	139	147
Chicago	22	22	44	133	145
N.Y. Rangers	15	28	33	136	149
Tampa Bay	9	35	18	96	167

## NORTH DIVISION

W	L	Pts	GF	GA
Pittsburgh	29	15	63	122
Montreal	27	19	61	139
St. Louis	22	20	54	134
Ottawa	22	23	47	123
Buffalo	19	21	40	128
Carolina	20	28	48	130

## CENTRAL DIVISION

W	L	Pts	GF	GA
Dallas	33	12	74	115
St. Louis	29	14	61	122
St. Louis	28	16	64	144
St. Louis	24	20	58	148
Chicago	22	22	44	134
Toronto	17	27	34	120

## PACIFIC DIVISION

W	L	Pts	GF	GA
Colorado	22	19	63	123
Los Angeles	22	19	55	129
San Jose	15	25	35	132
Edmonton	14	21	29	138
Calgary	14	21	29	138
Vancouver	14	22	30	141

## WESTERN DIVISION

W	L	Pts	GF	GA
Dallas	33	12	74	115
St. Louis	29	14	61	122
St. Louis	28	16	64	144
St. Louis	24	20	58	148
Chicago	22	22	44	134
Toronto	17	27	34	120

## CRICKET

## AUSTRALIA VS. SOUTH AFRICA

W	L	Pts	GF	GA
Dallas	33	12	74	115
St. Louis	29	14	61	122
St. Louis	28	16	64	144
St. Louis	24	20	58	148
Chicago	22	22	44	134
Toronto	17	27	34	120

## RUGBY

## EUROPEAN CUP FINAL

W	L	Pts	GF	GA
Dallas	33	12	74	115
St. Louis	29	14	61	122
St. Louis	28	16	64	144
St. Louis	24	20	58	148
Chicago	22	22	44	134
Toronto	17	27	34	120

## SOCCER

## ITALIAN FIRST DIVISION

W	L	Pts	GF	GA
Dallas	33	12	74	115
St. Louis	29	14	61	122
St. Louis	28	16	64	144
St. Louis	24	20	58	148
Chicago	22	22	44	134
Toronto	17	27	34	120

## GOLF

## HEINRICH CLASSIC

W	L	Pts	GF	GA
Dallas	33	12	74	115
St. Louis	29	14	61	122
St. Louis	28	16	64	144
St. Louis	24	20	58	148
Chicago	22	22	44	134
Toronto	17	27	34	120

## SKIING

## WORLD CUP

W	L	Pts	GF	GA
Dallas	33	12	74	115
St. Louis	29	14	61	122
St. Louis	28	16	64	144
St. Louis	24	20	58	148



## SPECIAL WINTER OLYMPICS PREVIEW

## 'Herminator' Makes Up for Lost Time

By Christopher Clary  
New York Times Service

WENGEN, Switzerland — So, Hermann Maier, when was the last time you laid a brick? "The 26th of October, 1995," said Maier, answering the question the same way he skis down mountains: precisely and with no hint of hesitation.

In the autumn of 1995, Maier was nearly 23, earning the bulk of his modest living with a trowel and waiting for his chance to prove that he belonged on the World Cup circuit. That has changed.

This season, as Austrian men have been completely dominant, Maier has been the most complete, most dominant Austrian, although there are suggestions that he is not from Austria at all.

"I came in first among the skiers from this planet," said a fellow Austrian and roommate, Andreas Schifferer, after finishing second to Maier in a tricky Super G in Schladming, Austria, in January. Barring extraordinary intervention, Maier will become the first Austrian in 28 years to collect the large crystal globe awarded to the overall World Cup winner. By winning eight races, including five straight in January, and finishing on the podium in six others, Maier had amassed more points (1,405) by mid-

season than last season's champion Luc Alphand collected in an entire winter.

In a country where skiing talent is identified early and nurtured systematically, Maier slipped through the cracks. Raised in the alpine village of Reitdorf about 80 kilometers south of Salzburg, he was considered a promising skier regionally but he developed chronic knee pain at 15 after growing approximately 30 centimeters in less than a year. He had to stop skiing, and in 1988 he enrolled in trade school to learn how to lay bricks.

"For the next seven years, it was a regular job," Maier said. "I would lay bricks from May to December."

Maier's parents were ski instructors, and he began teaching in his father's ski school in Flachau from "Christmas to March" when his knees had grown strong enough to permit it.

He would rise before dawn and train on his own for two hours before giving lessons. While Austrian contemporaries such as Hans Knauss and Christian Mayer moved onto the World Cup with the help of coaches and sponsors, Maier remained in the Enns valley, free skiing, rock climbing, mountain biking and competing in local races whenever time and finances permitted.

In March 1995, Maier started 141st at the national championships in Super G

and ignored the deeply rutted course to finish an impressive 15th. On Jan. 6, 1996, he served as a forerunner at a World Cup giant slalom in Flachau, opening the course for the official competitors to follow. His time would have put him 12th in the real race.

He stormed to the overall title in Europa Cup, the World Cup's minor league, in 1996. Since winning his first World Cup race last February, he has become an irresistible force in his first full season on the national team and run daily riot over the conventional wisdom that all-around skiers like the former World Cup champions Pirmin Zurbriggen and Marc Girardelli are a vanishing breed.

Maier, now known as "the Herminator," has won, often by crushing margins, in three of the four disciplines: giant slalom, Super G and downhill, and he will be a threat to win gold medals in all those events at Nagano.

Asked about Maier, Michel Vion, head of the French ski team, changed his expression. His eyes were bulging and wild; his teeth bared and menacing. "It's like this, his face before the start of the race," Vion said. "He's a killer, a killer."

A calculating killer, Maier is perhaps the slowest course inspector on the World Cup circuit, examining the critical



Hermann Maier of Austria speeding down the giant slalom course in Val D'Isere, France, in December.

sections of downhill meter-by-meter and even peeking over safety barriers to see what sort of dangers lurk in the forest. While others are running in training, he free skis to perfect his technique in imperfect terrain. "I trained a long time away from groomed slopes and only in deep snow and had snow, and I've skied a lot of bumps and ruts," he said. "I

don't work with my upper body, only with my legs, and that's why it looks so easy when I ski over rough terrain." Many racers will tell you Maier takes enormous risks with his lines, but he has yet to fall this season and his swash-buckling style, slightly surreal sense of balance and speed through the turns often leave little doubt about the winner.

World Cup success does not always translate into Olympic gold: the five-time overall champion Girardelli never won an Olympic race. But Maier, unlike Girardelli, is not the sort of skier to ask himself too many questions.

"I have tried bricklaying for a living, and skiing for a living," Maier said. "I prefer to ski."

## The King Comes to Seize His Crown

Macho Elvis Stojko Is Determined to Karate Chop His Way to Skating Gold

By Jere Longman  
New York Times Service

AROUND HIS oeck, Elvis Stojko of Canada wears a gold medal given to him by his aunt and uncle. It was a sort of consolation prize from the 1992 Games in Albertville, France. Most of the men fell in the long program as if they had slipped on the sidewalk retrieving the morning paper. Stojko stayed on his feet but fell inexplicably from sixth place to seventh.

Even now, with three world championships and a 1994 Olympic silver medal, Stojko considers himself as a skating outsider. In a sport where everything from sequins to spirals are judged, Stojko has always been found to have some aesthetic deficiency. He rattles off the criticisms: He lacks artistry, he is too slow, his hair is too long and his arms and legs are too short. Once, he said, somebody even wrote that his head was too big. His head!

"When you are 17 or 18, trying to get an identity for yourself and people are putting you down, it's tough to go through that," Stojko said.

He is 25 now, the reigning world champion and a gold medal favorite at the 1998 Winter Games. At 5-foot-7-inches and 156 pounds, he has been unyielding in putting power and strength above balletic grace. As a young skater he said he became irritated at what he considered effeminate movements by male skaters. His own macho style suits Stojko's short, blocky body and his martial arts, motocross lifestyle. It is a style he incorporates robustly into his skating interpretations of good versus evil.

At the 1994 Winter Games in Lillehammer, Norway, he skated a technopop short program and paid a tribute to the martial arts legend Bruce Lee in the long program. Stojko is a black belt in karate. So what if the judges preferred the classic style of the Russian Aleksei Urmanov for a gold medal? That was

O.K. with Stojko as long as people didn't consider his muscular style inferior.

"I don't want to be put down standing next to him, to have people saying he's better because he projects this image," Stojko said. "That's a lot of baloney. When a guy looks at a guy, he wants to see a masculine sense. Figure skaters, dancers, whoever is doing something artistically, can show masculinity without being considered feminine. I can do this and still be artistically brilliant."

Urmanov will not participate in Nagano. He withdrew from the 1997 world championships 11 months ago with a groin injury and has not competed since. Two other Russians, Ilya Kulik and Aleksei Yagudin, will challenge Stojko, along with the American champion Todd Eldredge.

At an Olympic preview before Christmas in Munich, the judges again preferred Kulik's classical style to Stojko's dynamism. No matter. Stojko will keep the circular movements of kung fu in his long program. Even his costume suggests the martial arts.

"He's strong, innovative," said Tamara Moskvina of Russia, considered by many the world's top pairs coach. "He has his own special style, those karate fighter hands."

Stojko is indisputably a more complete skater than in 1994, one who has worked to complement the power of his routine with finesse, speed, flow, and tempo change. He can be strong, he said, and still be soft, light, quick. At the Canadian championships last month, Stojko received two unblemished marks of 6 for presentation, the first time he had achieved perfection in his career.

"There was always something not quite right," he said of previous seasons. "I was never quite accepted, no matter what I did. They said I was too powerful, that's not skating. Baloney. Look at Baryshnikov. The guy's so powerful, his movement is so dynamic, I love it. Because I was changing the sport, I almost felt like they were trying to put me under

the carpet so they could go back to the way it used to be, where everything was nice and classical. That's what happened in '94. The last few years, I think they're becoming a little more used to it."

This is evolution, you can't stop it. Stojko is called the "quad God" in Canada, because he was the first man to land a quadruple toe-triple toe combination jump in competition. The combination won the world title for him in 1997, and will likely be a factor in Nagano. All the contenders but Eldredge have landed one in competition.

Stojko has even considered putting two quads in his long program.

"You're always pushing the limit to make it more difficult," Stojko said. "With an extra quad, your program would be pretty much untouchable if you can do it on the day. But it's tough to put it all together."

"Now, a lot of guys who are trying the jump are taking out a lot of in-between stuff. I'm trying to mesh the two together, to have a full package. You can do the jumps, let's see you do everything else. That's where it's going to count."

In Nagano, Stojko must also face the Curse of the Canadians. At the past three Winter Games, Canadian men have entered as world champions but failed to collect gold. Brian Orser lost to Brian Boitano in Calgary in 1988.

Kurt Browning, the four-time world champion, finished a disappointing sixth in Albertville in 1992 and fifth in Lillehammer in 1994. Now Stojko is the world champion carrying a country's expectations on his shoulders.

"There's a lot of pressure; you can feel it from everybody," Stojko said.

Of course, simply being named after Elvis Presley carries its own burden and expectations. He was given the name by his parents, Steve, an immigrant from Slovenia who sings in a church group, and his mother, Irene, a native of Hungary and formerly a folk dancer. This Elvis, too, wants to be King before he has left the building.



Elvis Stojko of Canada showing his style as he skated to victory in the 1997 world championships in Lausanne.

## From High-Speed Smashes to Bowling on Ice: 5 Likely Highlights From Nagano

By Ian Thomsen  
International Herald Tribune

AT THE Winter Olympics familiar sports share the limelight with those played mostly in obscurity. The ice hockey stars and figure skaters who will figure prominently in television coverage of the Games, will deservedly be among the stars of the Nagano Games, but other, less familiar sports are worth keeping an eye on. Here are five events that should provide highlights.

## Short Track Speed Skating

White Ring Arena: Feb. 17-21

This is the equivalent of a high-speed chase at rush hour around the Arc de Triomphe. Four to six skaters whip around the 111-meter indoor track, bumping incidentally or ramming full

throttle into each other. They tumble across the ice and go careening into the side walls. Sometimes the winner is the only one standing.

Organizers are trying to create order with a penalty system borrowed from soccer of yellow and red cards for frequent offenders.

## Women's Figure Skating

White Ring Arena: Feb. 18-20

The 1994 Olympic showdown between Nancy Kerrigan and Tonya Harding at Lillehammer became the third-highest rated sports event in U.S. history, beating all but two Super Bowls and every World Series baseball game ever televised. There is no Tonya this year, but there is a strong rivalry between the three American entries. Between the 15-year-old world champion Michelle Kwan and the 20-year-old former U.S.

champion Nicole Bobek, there will be different favorites in every American household. In Lillehammer — while attentions were fixed on the Americans — Oksana Baiul of Ukraine swept past Kerrigan for the gold medal. This time Irina Slutskaya of Russia might do the same.

## Men's Ice Hockey

Big Hat and Aqua Wing arenas: Feb. 7-22

Hockey was always a sideline tournament within the Winter Olympics — occasionally the U.S. "amateurs" would upset the Soviet "professionals" as the two sides tussled for propaganda. But the Olympics has moved on. If the Americans meet the Russians, it won't be as enemies but as National Hockey League teammates.

The North American professional league will shut down for 17 days to give its American, Canadian, Russian, Swedish and other interna-

tional stars a chance to give hockey the global boost that the first Dream Team gave basketball at the 1992 Summer Olympics. The Americans upset Canada to win the first ice hockey World Cup last September. Don't bother watching until the seeded teams, dominated by NHL players, take the ice on Feb. 13.

## Curling

Kazakoshi Park Arena: Feb. 9-15

The ancient game of broomsticks and stones is making its debut as an official Olympic sport. That may seem hard to believe in this age of faster-is-better, but large TV audiences watch bowling every winter in the United States, and curling is far more telegraphic.

The large, heavy stone is sent spinning across the ice toward a target while teammates maneuver its speed by frantically sweeping the ice

before its path, melting the ice and preserving the stone's momentum. Thus is launched the first beer drinker's sport in the history of the Winter Games. It should be a huge hit.

## Bobsled and Luge

The Spiral: Feb. 8-15, Feb. 20-21

Here is proof of the short attention span engendered by TV. When you first see the bobsleds or luge blurring and phwooshing across your screen, you can't take your eyes off them. After 10 minutes, you realize that there has to be something better to watch. The champions are those with the strongest start and the drivers who avoid tapping into the walls on their way down the funnel. Medalists are often separated by hundredths of a second, but after all you don't sit in front of the TV watching other families ride the roller coasters at Disney World, do you?



## SPECIAL WINTER OLYMPICS PREVIEW

## Games Offer Japanese Cold Comfort

Once a Symbol of a Nation on the Rise, Olympics Provide Little Relief

By Velisarios Kattoulas  
International Herald Tribune

**N**AGANO, Japan — On June 15, 1991, when the International Olympic Committee picked Nagano over four other cities to host February's Winter Olympic Games, its victory represented icing on the cake for Japan.

At the time, most Japanese saw sliding real estate and share prices not as the beginning of Japan's worst slump in a half-century but as a temporary setback, and Nagano's victory in the beauty contest to host the Winter Olympics seemed to confirm that.

Many Japanese remained convinced they were still on track to overtake the United States and become the world's dominant economy, and perhaps to supersede it as the world's dominant political and cultural force as well.

In 40 years, Japan had risen from the ashes of World War II to become the world's second largest economy. It was vying with conviction for a permanent seat on the United Nations Security Council, and its companies were buying vaunted American movie studios and record labels as though they were chocolate bars and take-out coffees.

On top of that, the choice of Nagano as the host of the 1998 Winter Olympics reinforced the sense that Japan was about to become Number One, the Master of the Universe, while the United States was trapped in what then seemed like a never-ending nightmare of crime, unemployment and political sclerosis.

As the 1990s unfolded and the scope of Japan's mainly economic woes came to light, the symbolic role of the Nagano Winter Games changed into a possible catalyst to push the nation back on track.

Today, with little less than a week before the Games begin, they represent something altogether more depressing. Japan is suffering its eighth year in a row of economic and political stasis. The Nagano Games, hamstrung by nagging problems and controversies, are a bitter reminder of Japan's apparent inability to do or get anything quite right any more; a myth, of course, but a compelling one to 125 million Japanese who have subsisted on a diet of mainly bad news since the Olympic movement picked Nagano to host the 18th Winter Games.

There was a harsh, two-year war of words, now resolved, over where to start one of the main events, the men's downhill skiing. The organizers have had to



Economic cycle has turned cold for Japan.

Yamaguchi, the chief spokesman for the Nagano Games Organizing Committee. "They were a symbol of Japan's recovery, and people united psychologically behind the Olympic movement."

In many respects, the Japan that hosted the Tokyo and Sapporo Olympics and the one preparing for the Nagano Games are different countries. In the 1960s and 1970s, Japan was characterized by frugality, hard work, suffering and dogged hard work following World War II. The Olympic Games represented an opportunity to be merry and celebrate, however briefly.

**T**HESE DAYS in Japan, despite the nation's eight-year economic slump, hedonism is the rule and frugality is the rarer commodity. Japan can no longer embrace the Olympics as a symbol of its national prosperity for such symbols are everywhere: packed restaurants, boutiques and movie theaters; skyscrapers; gleaming art galleries and museums; a 24-hour international airport built on a man-made island 5 kilometers offshore; overhead expressways that weave through crowded city centers; the world's finest high-speed train service.

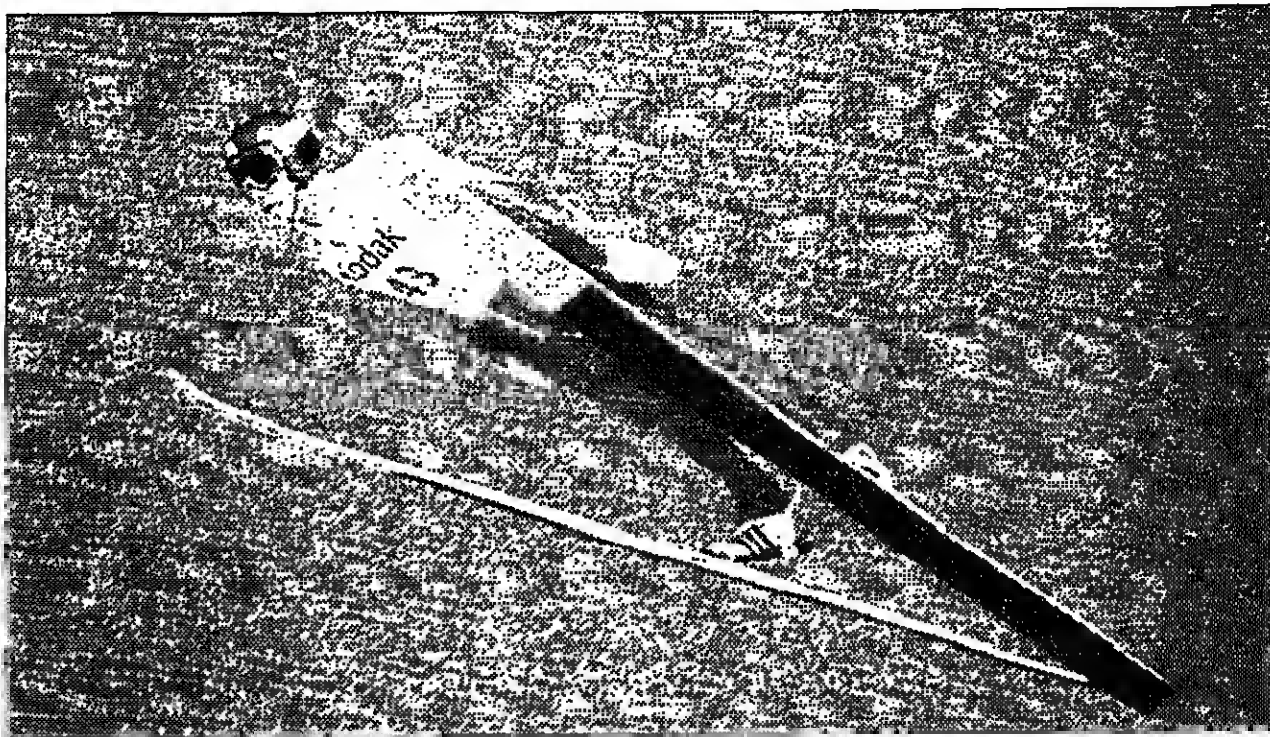
In the case of these Games, only a part of Japan will host these Olympic Games as opposed to Japan, as a whole, said Yamaguchi, who worked as a volunteer interpreter at the Tokyo Olympics.

In keeping with modern Japan, the organizers have built a series of spectacular stadiums: from the cherry blossom-shaped stadium to be used in the opening and closing ceremonies to the ice-dancing arena, which looks as if it has arrived from Mars.

These Games are unlikely to be as picture-postcard-perfect as Japan had hoped for and expected when the Olympic Committee picked Nagano in 1991.

But neither is Japan about to stage an Olympic Games as badly botched as the Atlanta Summer Olympic Games in 1996, which were overshadowed by technical and financial problems.

Nonetheless, to a nation of accomplished warriors worn out by a downturn that appears reluctant to turn up, the less-than-perfect Nagano Games offer little comfort. Some Japanese competitors may beat their American rivals, but in the broader picture, Japan missed its opportunity to outshine the United States. It may have a long wait before it again has a chance to become Master of the Universe.



Masahiko Harada jumping in the Lillehammer Olympics. After his failures there, "all of Japan was upset."

## In High Pressure, Harada Soars Again

By Jere Longman  
New York Times Service

**M**ASAHIKO Harada has been a ski jumper since age 9, when he first launched himself off a hill on Japan's most northern island and felt the sheer thrill of flying. Even now, at 29, his nickname is Happy because competition often brings a smile to his face.

Harada is a two-time world champion and leads the World Cup standings with four victories this season. Few athletes at this month's Winter Olympics in Nagano, Japan, will be under more pressure to succeed or will have a more inviting chance of redemption.

His career has been indelibly marked by the 1994 Winter Games at Lillehammer. There he collected a silver in the team competition, but only because he failed to bring home the gold.

After three of Japan's four jumpers had completed the second round of the competition, the Japanese appeared to have an unconquerable lead over Germany. Harada needed to soar only 105 meters to secure first place. His first jump had been 122 meters. The gold medal seemed assured.

"All he had to do was fall off the hill," said Alan Johnson, head coach of the American team in Lillehammer.

Even the Germans thought they would have to settle for silver. Before Harada jumped, he was approached by Jens Weissflog, the German Olympic champion in the 120-meter hill individual event, who told Harada

something like, "Congratulations, you're going to win a gold medal."

With this final jump in the team event, Harada could make up for his individual disappointments. He had finished 55th on the 90-meter hill after entering the event as world champion. On the 120-meter hill, he finished 13th. This followed fourth-place finishes at the 1992 Winter Olympics in both the 90-meter individual and the 120-meter team events. Finally, he would win a medal, apparently a gold medal.

But, as he had done in the 120-meter individual event, Harada launched himself prematurely. This slight miscalculation left him without either sufficient thrust from his legs or air under his skis. "He's a power jumper, so it's not uncommon for him to have three great jumps and one stinker," said Johnson.

Needing 105 meters, Harada achieved only 97.5, the shortest of the 64 jumps in the team competition. Germany won the gold medal, and Japan had to settle for the silver. Harada squandered on his skis, his head in his hands, while the Germans exulted in victory.

"Because of that, all of Japan was upset," Harada said. "I really felt ashamed, causing such a big uproar."

His failure in Lillehammer sent both Harada's jumping and his confidence into a tailspin. He failed to make the Japanese team for the 1995 world championships, slipping all the way to 59th place on the World Cup circuit.

"I didn't think of quitting," Harada said. "But I had a hard time showing my

best. I was not able to do anything good that next season."

Eventually, his career began to catch air again. By 1996, the 5-foot-8-inch, 123-pound Harada had risen to fifth on the World Cup circuit. Last year, he won the world championship on the 120-meter hill and finished second on the 90-meter hill. This year, he has gathered an avalanche of momentum.

He attributes much of his comeback to his wife, Keiko, whom he married following the Lillehammer Games. They have a 3-year-old daughter named Aina, and a 3-month-old son named Yuga. When doubt crept in and Harada began frantically studying other jumpers, trying to locate a style that would fit him, his wife encouraged him to be himself.

"I like to show the spectators that I have power," Harada said. "I feel very good if I have such strong power."

"My smiling face is very famous among the people in Europe," he said. "By nature I smile a lot. I love flying in the sky. That makes me look very happy. If I come to think about it, I had a very hard time. But I can forget the past. That might be the reason I'm here now."

In the 1972 Winter Olympics in Sapporo, Japan, Japanese ski jumpers swept all three medals on the small hill.

Harada insists there will be little real pressure during the Games. "I'm glad people are expecting that much from me," he said. "Maybe people around me feel pressure, but I don't. I just want to show that Harada is a jumper. If I gain a medal, that would be great."

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Herald Tribune  
**SPORTS**

PAGE 20

MONDAY, FEBRUARY 2, 1998

**21st Century Olympus  
Atop Japanese Peaks****The 18th Winter Games in Nagano  
Offer Glimpses of Future and Past**By Ian Thomsen  
International Herald Tribune

**T**HE TOOLS of the new millennium are going to run faster, businesses are going to have to operate on a 24-hour basis, and the world will be linked by the most startling news and images.

Look closely and that is what you will see from the Winter Olympic Games beginning this weekend in Nagano, Japan, within easy reach of Tokyo on the bullet train.

The Japanese are promising an efficient, clean, high-tech celebration of the fastest human-powered sports.

The slowest Olympic speed skater, enhanced ever more by the newly hinged skates, will accelerate beyond the dreams of the fastest Olympic sprinters. The bobsledders and lugers will feel as if they are spinning down a cold, white, topsy-turvy gun barrel.

Athletes from 72 countries are going to merge in a communal blur. The images will be broadcast around the world as a relentless affirmation of the new global community.

And yet the 16 days at Nagano, as beautiful as they promise to be, will also provide frustrations for the athletes, officials and foreign tourists who aren't willing or able to communicate, to merge in the simplest ways with their Japanese hosts. The world might be interconnected, but that doesn't necessarily mean better communication.

The Winter Olympics have never been an easy show to stage since their 1924 debut at Chamonix, France. In 1976, at Innsbruck, Austria, a quarter of the athletes came down with the flu, spread no doubt by the heavy cabin air. Such winter events are at the mercy of the kind of blizzards that forced several days of postponements when the 1993 skiing world championships were held at Shizukuishi, Japan.

In less natural ways, the Olympics are becoming forever trickier for the hosts, as the Japanese have fully realized. The Winter Games may be less than one-third the size of the Summer Games, but they still demand a huge spree of building and detailed planning.

Within Japan there have been complaints that too many of the facilities built for these Games will turn obsolete as soon as the carnival backs out of town on its way to Salt Lake City in 2002. The Japanese recession has already forced organizers to break their promise of free transportation to Japan for all 3,000 athletes and officials. There is sure to be Western griping about the sleeping arrangements, the food, the language.

It would be a wonderful victory for

everyone concerned if the Nagano Olympics could be taken at face value — not for whatever Western amenities might be lacking, but rather for the bloom of the Japanese vision. That attitude is likely to prevail once the competition begins.

The 50,000-seat Olympic Stadium, which will hold the Opening and Closing Ceremonies, was constructed from 21 supporting pillars turned outward like a young cherry blossom. (After the Olympics almost half of the seats will be removed and the arena will be turned into a baseball park — a fate like that of Atlanta's former Olympic Stadium.)

The U.S. figure skaters Michelle Kwan and Tara Lipinski, the favorites for the gold medal, will spin, fawn, and collect their roses in a small arena called the White Ring, whose domed roof is shaped like a single drop of water.

The ski slopes, once the subject of a long wrangle between the international ski authorities and the Japanese administrators, will be the site for a more uplifting competition.

There are still 10 races left in the World Cup season, but already the Austrian men's team has won a record 18 races. Their star is Hermann Maier, who has dominated in every discipline except slalom.

The increasing professionalism of skiing has added longevity to the careers of the top women. Once champions flitted only briefly across the slopes, but these Games will offer a stage for several divas of the snow.

Katja Seizinger of Germany, the reigning downhill champion, won three consecutive World Cup downhill in December.

Deborah Compagnoni, of Italy, gold medalist in the super giant slalom in 1992 and the giant slalom in 1994, has also been in strong form this season and could equal, or pass, Vreni Schneider's record for most gold medals by a woman skier: three.

Among the challengers will be Martina Ertl, a strong all-rounder from Germany, and one of the sport's rising stars, Ylva Nowen of Sweden, who won four straight World Cup slaloms this winter. Before starting the streak, Nowen had never won a World Cup race.

Other facilities are known as the M-Wave, because the roof is rippled like the sea, and The Spiral, a narrow track of 15 curves built for the bobsled and luge. One of the principles of the Nagano Olympics is to uphold "respect for the beauty and bounty of nature," and so The Spiral was built along the natural mounds and humps of Mount Iizuna.

In two sections the sledders will find



"Spinning down their cold, white, topsy-turvy gun barrel," the United States four-man bobs team training on the Olympic track in Nagano.

themselves surging uphill, unlike any other track in the world. Topsoil removed during the construction has been restored to the foothill, and new plants have taken root.

The Winter Olympics are not to everyone's tastes. The Summer Games draws more than twice as many participating countries; the worldwide television audiences will be dwarfed by those for the soccer World Cup in June and July in France. But if those are weaknesses of the Winter Olympics from a marketing point of view, they also are a resounding strength of this festival.

The Winter Games benefits from the sense of myriad cultures gathering not in a metropolis but rather in villages. Few of the athletes claim to be bigger than life, the proceedings are quaintly humble — although that also is beginning to change now that the Olympics are absorbing the American approach to sports as entertainment.

Any American will tell you that the Winter Olympics reached their height in 1980, when the USA ice hockey team of collegians and elderly amateurs won the gold medal by overturning the apparently invincible Soviets. Just 14 years later, the made-for-TV soap opera involving Nancy Kerrigan and Tonya Harding at Lilleham-

mer drew a record U.S. TV audience. The Olympics used to serve as an ideological playground taken much too seriously by both East and West, now they are a kind of show business.

Much as Carl Lewis found himself being bumped out of the spotlight in 1992 by Magic Johnson and the Dream Team of basketball stars, so, too, will the great Italian skier Alberto Tomba have to share the stage with Wayne Gretzky and Brett Hull. The National Hockey League will shut down for more than two weeks to allow its best players to compete in these Olympics for the first time. Along the way someone will point out, a bit too self-righteously, that the millionaire players are not being paid a dime to skate in the Olympics, that they are competing for their country. There is something to that. It is also true that, for the winners, the money is going to come. There will be payment aplenty, one way or another.

There was something not right about the Olympics when they were a Cold War propaganda battlefield, nevertheless, they were a true reflection of the era. The Nagano Games will also reflect our times. As another millionaire receives an Olympic gold medal, his agent back home will be on the phone trying to exploit that image, to stuff it full of endorsement dollars.

**The Way Cool Games:  
Generation X Arrives****Olympic Debut for Snowboards, Pierced Navels  
As Well as Curling and Women's Ice Hockey**By Jere Longman  
New York Times Service

**E**XCEPT for Alberto Tomba, the Italian ski star and perpetual frat boy, many familiar champions from recent Winter Olympics have moved on. A new generation will take their place.

At the 1998 Winter Olympics in Nagano, Japan, new stars will be made. The sportsmanship should improve too. Nancy Kerrigan and Tonya Harding, the figure skating rivals, are no longer competing, although they will pop up on U.S. television. Fox television, the U.S. network, has hired them for a side-by-side interview. Their feud has been replaced by the teenage rivalry between 17-year-old Michelle Kwan and 15-year-old Tara Lipinski which is expected to be decided with triple lutz instead of collapsible batons. Kwan has waited for this moment ever since she saw Brian Boitano with a gold medal around his neck, smiling and crying in victory, at the 1988 Calgary Games.

"This is my dream to be here right now," Kwan said. "The Olympics are like wonderland."

As a young girl, Lipinski stood on a Tupperware box and pretended she was an Olympic champion. Three weeks from now she could become the youngest gold medalist in women's figure skating. "I've been training for this my whole life," she said.

Figure skating will not provide the only spotlight for women in Nagano, a city of 360,000 ringed by the Japan Alps that will play host to 3,000 athletes from 72 countries from Feb. 7-22. Women's hockey will be introduced into the Olympics. Checking is not allowed in women's hockey, making the game more fluid.

The National Hockey League will shut off the Zambonis for two weeks while stars such as Wayne Gretzky and Eric Lindros make professional debuts in the Winter Games.

Another new Olympic sport is curling, which is essentially shuffleboard for penguins. But the most intriguing aspect of the Nagano Games may be a generational shift, represented by the prominence of under-30 athletes who come from nontraditional, even non-winter, sports such as skateboarding and inline skating, and who carry non-traditional attitudes into the Winter Games.

"It's going to lighten things up quite a bit," said Todd Richards of the United States, the 1997 silver medalist at the world half-pipe snowboarding competition. "It's going to bring an element of youth to a stuffy format."

Snowboarders are making their Olympic debut in the half-pipe and

giant slalom events, and they are doing it with equal parts anticipation and skepticism. Even the idea of having to wear a certain uniform in the Olympics is considered restricting in this free-form sport. Some worry about their sport selling out to the sponsor-driven Olympics; others are concerned that the slacker stereotype will be perpetuated by uninformed journalists.

Many snowboarders also chafe at being under the jurisdiction of FIS, the international ski federation, considering that skiing has often been the bane of the slacker stereotype.

Terje Haakonsen, a three-time half-pipe world champion from Norway and the sport's top rider, has boycotted the Nagano Games, likening the International Olympic Committee to the Mafia for its control and elitism. His absence is considered a blow to the credibility of the Olympic competition.

"Terje has a good point," Richards said. "The IOC are driving around in fancy cars, staying in first-class hotels, while we're scrounging at Motel 6."

When asked about Haakonsen, Juan Antonio Samaranch, president of the IOC, laughed and said, "We are used to these kind of comments. If he is not happy with the Olympic Games, he can remain at home. To take part is not compulsory."

**W**hile Haakonsen has boycotted, Richards and other snowboarders have decided to plunge headlong into the uncertain waters of the Olympic mainstream.

"This will give us legitimacy," Richards said. "People will see that this takes as much talent as figure skating. The image everyone has is of idiots flying downhill in unfunctional snow clothing, screaming and running people over. A lot of people perceive snowboarders as inarticulate cavemen. It's so ridiculous."

Figure skating judges wear fur coats; snowboarding judges are just as likely to wear tattoos and have cars and lips pierced like voodoo dolls.

KC Boutiette leads a cadre of in-line skaters who have switched to speed-skating. He has bleached white hair and a stainless steel post piercing his tongue. His girlfriend, Jennifer Rodriguez, another former in-line skater, is the first Winter Olympian from Miami. She believes her generation will attract a number of athletes to winter sports who might have previously found them inaccessible, unless they happened to live next door to a bobsled run.

"Bleached hair, piercing, that's what kids are doing these days. They can relate," Rodriguez said. "They can say, 'Look, he's a bonhead like me. Maybe I can be as good as him.'"

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